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Special Counsel for Genuity Inc , et al  
Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re Chapter 11  
GENUITY INC et al Case No 02 43558 (PCB)  
Debtors (Jointly Administered)  
Affects All Debtors  
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**SUMMARY OF FINAL APPLICATION OF SKADDEN, ARPS, SLATE,  
MEAGHER & FLOM LLP FOR COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT FOR DISBURSEMENTS  
INCURRED AS SPECIAL COUNSEL FOR THE DEBTORS FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 2, 2003**

**TO THE HONORABLE PRUDENCE CARTER BEATTY,  
UNITED STATES BANKRUPTCY JUDGE**

Name of applicant Skadden, Arps, Slate, Meagher & Flom LLP

Authorized to provide professional services to Genuity Inc , et al

Date of retention November 27, 2002

Period for which compensation and reimbursement are sought 11/27/02 12/02/03

Total amount of compensation sought as actual reasonable and necessary \$1,537,115 00

Total amount of expense reimbursement sought as actual reasonable and necessary \$109,771 80

Total amount of compensation received as actual reasonable and necessary \$1,499,739 80

Total amount of expense reimbursement received as actual reasonable and necessary \$108,963 26

This is a(n) \_\_\_ interim X final application

**CUMULATIVE SUMMARY BY PROFESSIONAL**

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<b><u>PARTNERS</u></b>				
James R Carroll	1990	\$595	8 30	\$4 938 50
Kent A Coit	1982	655	274 20	179 601 00
Kent A Coit	1982	680	2 50	1 700 00
Eric M Davis	1992	260	18 30	4 758 00
Fric M Davis	1992	520	174 20	90 584 00
Sally McDonald Henry	1983	313	3 50	1 093 75
Sally McDonald Henry	1983	625	134 90	84 312 50
Warren G Lavey	1979	680	15 30	10 404 00
J Gregory Milmoie	1976	725	92 60	67 135 00
David L Nagler	1979	545	24 00	13 080 00
Peter J Neckles	1978	725	0 50	362 50
<b>TOTAL</b>			<b>748 30</b>	<b>\$457,969 25</b>
<b><u>COUNSEL</u></b>				
Carl R Erdmann	1996	485	2 70	1 309 50
Brian C Mohr	1979	485	31 10	15 083 50
Juliette W Pryor	1992	485	10 10	4 898 50
<b>TOTAL</b>			<b>43 90</b>	<b>\$21,291 50</b>
<b><u>ASSOCIATES</u></b>				
Kris Agarwal	2003	240	67 3	16 152 00
David E Barrett	2002	295	65 00	19 175 00
David E Barrett	2002	335	5 00	1 675 00
Arthur W Bresnahan	1994	475	21 40	10 165 00
Theresa V Brown Edwards	1998	395	3 20	1 264 00
John M Caccia	1996	475	4 20	1 995 00
Ross E Cohen	2002	120	2 50	300 00
Ross E Cohen	2002	240	34 80	8,352 00
Yael Dar	2000	335	494 00	165 490 00
Yael Dar	2000	375	61 20	22,950 00

Non working travel rate

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Anthony Decicco	2002	120	1 30	156 00
Anthony Decicco	2002	240	15 40	3 696 00
John G Derderian	2003	120	21 40	2 568 00
John G Derderian	2003	240	147 90	35 496 00
Barbara M Dunne	1999	395	171 00	67 545 00
Laura Engelhardt	2001	168	2 00	335 00
Laura Engelhardt	2001	335	291 50	97 652 50
Laura Engelhardt	2001	375	11 80	4 425 00
Jarett Epstem	2003	240	56 50	13 560 00
Thomas A Ferree	2003	240	18 80	4 512 00
Mordecai L Geisler	2003	240	18 60	4 464 00
Kurt Wm Hemr	1995	475	9 10	4 322 50
Cheri L Hoff	1993	228	9 80	2,229 50
Cheri L Hoff	1993	455	209 8	95 459 00
David R Hurst	1998	198	18 20	3,594 50
David R Hurst	1998	395	117 10	46,254 50
Harry L Hutchinson Jr	2003	240	47 90	11 496 00
Daniel T Janis	2002	120	6 20	744 00
Daniel T Janis	2002	240	80 30	19 272 00
Ivy Johnson	2002	295	21 70	6 401 50
William J Lundregan	1996	228	1 50	341 25
William J Lundregan	1996	455	186 90	85 039 50
William J Lundregan	1996	475	2 20	1 045 00
Jennifer D A Moss	2001	375	1 90	712 50
Kim Newby	1994	475	10 00	4 750 00
Julia Paskaloff	2002	295	79 80	23 541 00
Jeannette N Pina	2000	375	91 00	34 125 00
John Sheahan	1998	395	7 30	2 883 50
Patricia A Widdoss	1998	395	113 30	44 753 50
<b>TOTAL</b>			<b>2,528 80</b>	<b>\$868,892 25</b>

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Non working travel rate

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<b>PARAPROFESSIONALS</b>				
Malikah Ashby		160	29 20	4 672 00
Lynn I Buckely		150	3 20	480 00
Nicholas Claassen		80	23 50	1 880 00
Shelley F Dague		130	6 90	897 00
David Grimm		55	6 50	357 50
David Grimm		110	192 10	21 131 00
David Karcher		65	157 40	10 231 00
David Karcher		130	621 50	80 795 00
Helen B Kaplan		130	7 00	910 00
Mary E Keogh		150	11 20	1 680 00
Michael L Kremer		110	210 20	23 122 00
Michael L Kremer		130	16 40	2 132 00
Mikael Levey		110	98 00	10 780 00
Tracey L Lewis		130	0 70	91 00
Daniel A Mayer		130	6 00	780 00
Timothy G Murphy		130	7 00	910 00
Yi Nie		110	124 90	13 739 00
Racquel H Remstem		110	41 50	4 565 00
Joseph J Roman		80	19 00	1 520 00
Samuel R Rowley		130	26 40	3 432 00
James A Salkind		130	7 00	910 00
Erin Suda		130	6 80	884 00
Stephane Skelly		130	5 20	676 00
Michael Sullivan		195	6 90	1 345 50
Jenny Wales		130	7 00	910 00
Edward Zelster		110	1 20	132 00
<b>TOTAL</b>			<b>1 642 70</b>	<b>\$188,962 00</b>
<b>GRAND TOTAL</b>			<b>4,963 70</b>	<b>\$1,537,115 00</b>
<b>BLENDED HOURLY RATE</b>				<b>\$310</b>

Non working travel rate

**CUMULATIVE SUMMARY OF ALL MONTHLY FEE STATEMENTS  
AND INTERIM APPLICATIONS SUBMITTED BY SKADDEN, ARPS FOR  
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF  
EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS FROM THE PETITION DATE**

<u>SUBMISSION/ FILING DATE</u>	<u>PERIOD COVERED</u>	<u>TOTAL FEES REQUESTED</u>	<u>TOTAL EXPENSES REQUESTED</u>	<u>AMOUNT OF FEES PAID (80 %)</u>	<u>EXPENSES PAID (100 %)</u>	<u>AMOUNT OF HOLDBACK FEES SOUGHT</u>
1/20/03	11/27/02 12/31/02	\$609,452.25	\$32,477.38	\$487,561.80	\$32,477.38	\$121,890.45
2/20/03	1/1/03 1/31/03	\$544,123.50	\$28,538.75	\$435,298.80	\$28,538.75	\$108,824.70
3/20/03	2/1/03 2/28/03	\$155,728.25	\$20,656.25	\$124,582.60	\$20,656.25	\$31,145.65
4/18/03 & 4/28/03 (1st Interim)	11/27/03 2/28/03	\$1,309,304.00	\$81,672.38	\$1,047,443.20	\$81,672.38	\$261,860.80
4/20/03	3/1/03 3/31/03	\$55,818.00	\$9,748.42	\$44,654.40	\$9,748.42	\$11,163.60
5/20/03	4/1/03 4/30/03	\$65,060.50	\$10,711.31	\$52,048.40	\$10,711.31	\$13,012.10
6/20/03	5/1/03 5/31/03	\$25,611.00	\$5,072.37	\$20,488.80	\$5,072.37	\$5,122.20
7/18/03	6/1/03 6/30/03	\$28,924.50	\$466.55	\$29,391.05	\$466.55	\$5,794.90
8/20/03	7/1/03 7/31/03	\$8,877.00	\$505.81	\$9,382.81	\$505.81	\$1,775.40
9/12/03 & 9/24/03 (Second Interim)	3/1/03 7/31/03	\$184,291.00	\$26,504.46	\$147,432.80	\$26,504.46	\$36,858.20
9/19/03	8/1/03 8/31/03	\$2,968.00	\$227.66	\$2,374.40	\$227.66	\$593.60
10/20/03	9/1/03 9/30/03	\$4,713.00	\$558.76	\$3,770.40	\$558.76	\$942.60
11/20/03	10/1/03 10/31/03	\$13,038.50	\$431.13	\$10,430.80	\$431.13	\$2,607.70
12/19/03	11/1/03 11/30/03	\$22,800.50	\$377.41			

**CUMULATIVE SUMMARY OF INTERIM APPLICATIONS SUBMITTED  
BY SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL  
TO THE DEBTORS AND APPROVED BY THE BANKRUPTCY COURT**

<u>SUBMISSION/ FILING DATE</u>	<u>PERIOD COVERED</u>	<u>TOTAL FEES REQUESTED</u>	<u>TOTAL EXPENSES REQUESTED AND PREVIOUSLY PAID</u>	<u>TOTAL FEES PREVIOUSLY PAID (80%)</u>	<u>TOTAL AMOUNT OF HOLDBACK FEES SOUGHT</u>	<u>TOTAL AMOUNT OF FEES AND EXPENSES APPROVED BY COURT</u>	<u>DATE OF ORDER APPROVING INTERIM APPLICATION</u>
4/18/03 & 4/28/03 (1st Interim)	11/27/03 2/28/03	\$1,309,304.00	\$81,672.38	\$1,047,443.20	\$261,860.80	\$1,390,976.38	June 11, 2003 Docket No. 1285
9/12/03 & 9/24/03 (Second Interim)	3/01/03 7/31/03	\$184,291.00	\$26,504.46	\$173,937.26	\$36,858.20	\$210,795.46	October 22, 2003 Docket No. 1742

**CUMULATIVE COMPENSATION SUMMARY BY PROJECT CATEGORY  
REQUESTED IN MONTHLY FEE STATEMENTS SUBMITTED BY  
SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS  
FOR THE PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 2, 2003**

PROJECT CATEGORY	TOTAL HOURS	TOTAL AMOUNT
<b><i>CORPORATE AND TRANSACTIONAL MATTERS</i></b>		
General Corporate Advice	23 70	\$9 986 50
Asset Dispositions	3 581 40	\$1 075 407 00
<b>Total</b>	<b>3,605 10</b>	<b>\$1,085,393 50</b>
<b><i>TRANSITIONAL MATTERS</i></b>		
Business Operations	119 90	\$61 371 50
Case Administration	436 00	\$139 288 00
Claims Administration and Objections	2 60	\$1 027 00
Creditors Meetings / Committees	44 10	\$26 103 50
Employee Matters	109 30	\$54 781 00
Lease Real Property	14 90	\$6 123 50
Litigation	4 70	\$2 357 50
Non Working Travel Time	242 30	\$26 584 00
Reports and Schedules	3 00	\$1 161 00
Retention / Fee Matter (SASM&F)	303 40	\$98 270 50
Retention / Fee Matters (Non SASM&F)	39 50	\$15 325 50
Tax Matters	7 90	\$3 277 50
Utilities	6 70	\$3 613 50
Vendor Matters	24 30	\$12 437 50
<b>Total</b>	<b>1,358 60</b>	<b>\$451,721 50</b>
<b>GRAND TOTAL</b>	<b>4,963 70</b>	<b>\$1,537,115 00</b>

**CUMULATIVE EXPENSE SUMMARY BY EXPENSE CATEGORY  
 REQUESTED IN MONTHLY FEE STATEMENTS SUBMITTED BY  
 SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED AND  
 REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS  
 FOR THE PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 2, 2003**

<b>EXPENSE CATEGORY</b>	<b>TOTAL EXPENSES</b>
Computer Legal Research	\$5 408 84
Reproduction	\$23 593 90
Outside Reproduction & Binding	\$39 124 47
Courier/Express/Postage	\$7 163 90
Telecommunications	\$3 723 88
Business Travel & Lodging	\$16 257 66
Business Meals	\$280 37
Filing/Court Fees	\$2 719 00
Outside Research Services	\$8 406 78
Court Reporting	\$3 093 00
<b>GRAND TOTAL</b>	<b>\$109,771 80</b>

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Special Counsel for Genuity Inc , et al  
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re Chapter 11  
GENUITY INC , et al , Case No 02 43558 (PCB)  
Debtors (Jointly Administered)  
Affects All Debtors  
- - - - - x

**FINAL APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP FOR COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT FOR DISBURSEMENTS  
INCURRED AS SPECIAL COUNSEL FOR THE DEBTORS FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 2, 2003**

**TO THE HONORABLE PRUDENCE CARTER BEATTY,  
UNITED STATES BANKRUPTCY JUDGE**

Skadden Arps Slate, Meagher & Flom LLP and its affiliated law practice entities (collectively, "Skadden Arps") special counsel under 11 U S C § 327(c) for Genuity Inc and its subsidiaries and affiliates debtors and debtors-in possession in the above-captioned chapter 11 cases (collectively, the Debtors"), submits this application (the "Application") under 11 U S C §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure seeking a final award of compensation for services provided as special counsel to the Debtors and for reimbursement of expenses incurred in providing such services for the period from



November 27 2002 through December 2 2003 (the "Application Period") In support of this Application, Skadden, Arps respectfully represents as follows

### **BACKGROUND**

1 In support of this Application Skadden Arps relies on the Affidavit of J Gregory Milmoie sworn to on November 26, 2002 (the "Milmoie Affidavit") (D I No 19) the Affidavit of Daniel Patrick O'Brien Pursuant to Local Bankruptcy Rule 1007-2 and in Support of Chapter 11 Petitions and First Day Motions sworn to November 25 2002 (the "O'Brien Affidavit") (D I No 9) the Supplemental Affidavit of J Gregory Milmoie sworn to on December 6 2002 (the "Supplemental Milmoie Affidavit") (D I No 87), and the Declaration of Ira H Parker dated December 6, 2002 (the "Parker Declaration" (D I No 86) and collectively the "Supporting Retention Documents")

#### **A Events Leading to Chapter 11 Filings**

2 Following the events of July 24, 2002 as described more fully in the O'Brien Affidavit, the Debtors recognized a need to focus on various restructuring alternatives In late July of 2002, Skadden Arps was retained to assist the Debtors to provide legal advice to the Debtors in connection with their continuing review of strategic alternatives available to them Since July 2002, Skadden Arps has performed extensive legal work for the Debtors in connection with their ongoing restructuring efforts, including negotiating standstill agreements with their principal creditors, conducting due diligence, negotiating the Asset Purchase Agreement for the asset sale to Level 3 Communications Inc ("Level 3") and helping prepare the voluminous disclosure schedules related to that agreement As noted in the Milmoie Affidavit and Supplemental Milmoie Affidavit, Skadden Arps was also engaged to

and did in fact perform extensive legal work in preparing the Debtors for these cases and their roles as debtors in possession

3 On November 27, 2002, the Debtors reached a definitive agreement (the "Purchase Agreement") with Level 3. Under the Purchase Agreement, which was approved by this Court on January 24, 2003, Level 3 acquired the Debtors' Tier 1 network, their operations and a substantial portion of the customer base for approximately \$242.2 million in cash, subject to certain purchase price adjustments and the assumption of a significant portion of liabilities in connection with the Debtors' existing long-term operating agreements.

## **B The Chapter 11 Filings**

### **The Filing and Sale to Level 3**

4 On November 27, 2002 (the "Petition Date"), the Debtors each filed their respective voluntary petitions for relief under chapter 11 of title 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (as amended, the "Bankruptcy Code") in this Court. During these chapter 11 cases, the Debtors have operated their respective businesses and managed their respective properties as debtors-in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5 No trustee or examiner has been appointed in the Debtors' chapter 11 cases. An Official Committee of Unsecured Creditors of the Debtors (the "Creditors' Committee") has been appointed in these cases.

6 On the Petition Date, the Debtors filed an Application for Order Under 11 U.S.C. §§ 327(a) and 329 Authorizing Employment and Retention of Skadden, Arps as Attorneys for Debtors-in-Possession (the "327(a) Application")

7        Upon review of the 327(a) Application the Court noted concerns about Skadden, Arps' representation of Verizon Communications Inc ("Verizon ")

8        On December 6 2002 Skadden Arps filed the Supplemental Milmoie Affidavit and the Parker Declaration with the Court in order to clarify Skadden Arps' connections with Verizon and provide additional background on the Debtors' engagement of Skadden Arps in these matters

9        On December 9 2002 the Court indicated it believed that Skadden Arps should not serve as counsel to the Debtors under 11 U S C § 327(a) Thereafter the Debtors sought to retain Skadden Arps as special counsel under 11 U S C § 327(e) Therefore on December 23 2002 the Debtors filed the Debtors' Application for Order Under 11 U S C §§ 327(e) and 329 And Fed R Bankr P 2014 and 2016 Authorizing Employment And Retention Of Skadden, Arps, Slate, Meagher & Flom LLP And Affiliates As Special Counsel For Debtors-in-Possession Effective From the Petition Date (the 327(e) Application")

10       On January 7 2002, this Court granted the relief sought in the 327(e) Application and entered the Order under 11 U S C §§ 327(e) and 329 and Fed R Bankr P 2014 and 2016 Authorizing Employment and Retention of Skadden, Arps, Slate Meagher & Flom LLP and Affiliates as Special Counsel for the Debtors-in-Possession Effective from the Petition Date (the "Retention Order") In accordance with the Retention Order, Skadden, Arps professionals (i) provided corporate and transactional services to the Debtors with respect to the proposed asset sale to Level 3 and (ii) as of December 9 2002 worked diligently with Ropes & Gray counsel for the Debtors, to assist Ropes & Gray in taking over the representation of the Debtors in bankruptcy matters in these chapter 11 cases

11 On January 24, 2003, this Court approved the sale to Level 3 and authorized the Debtors to enter into the Purchase Agreement. On February 4, 2003, the Debtors successfully closed their sales transaction with Level 3. The Debtors confirmed their Joint Consolidated Plan of Liquidation, as Modified (the "Plan") on November 21, 2003 and on December 2, 2003 (the "Effective Date") the Debtors' plan became effective.

12 Through this application, Skadden Arps seeks compensation for such services and reimbursement for expenses incurred in connection with the sale to Level 3, as well as services performed and expenses incurred in connection with the provision of transitional assistance provided by Skadden Arps to the Debtors and Ropes & Gray during the duration of these chapter 11 cases.

**Statutory Basis for Relief**

13 This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

14 The statutory predicates for the relief requested herein are Bankruptcy Code sections 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

15 This Application has been prepared in accordance with the Administrative Order, Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals, approved by the Court on January 7, 2003 (the "Administrative Order") a copy of which is attached hereto as Exhibit B, the Amended Guidelines for Fees and Disbursements of Professionals in Southern District of New York Bankruptcy Cases (the "Amended Guidelines"), the United States Trustee Guidelines for

Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U S C § 330 (the "UST Guidelines") and the Plan As required by the Local Guidelines a certification as to Skadden, Arps' compliance with the Local and UST Guidelines is contained herein The declaration required under Bankruptcy Rule 2016 (the "Bankruptcy Rule 2016 Declaration ") is attached hereto as Exhibit A

#### **RETENTION OF SKADDEN, ARPS**

16 On December 23 2002 pursuant to the 327(e) Application the Debtors applied to the Court for an order authorizing them to retain Skadden Arps as special counsel to provide the following professional services (i) corporate and transactional services with respect to the proposed asset sale to Level 3 or another purchaser and (ii) transitional services allowing for a fluid transition of primary bankruptcy representation in these cases to Ropes & Gray

17 On January 7, 2003 the Court entered the Retention Order and authorized the Debtors to employ Skadden Arps as special counsel in accordance with the 327(e) Application effective as of the Petition Date A copy of the Retention Order is attached hereto as Exhibit C

#### **COMPENSATION OF SKADDEN, ARPS**

18 Pursuant to the Administrative Order, the Amended Guidelines and the UST Guidelines no later than twenty days after the end of each month during the Application Period Skadden, Arps submitted a monthly statement of fees and disbursements accrued during such month (as to each a "Monthly Statement" which Monthly Statement contained (i) a list of the professionals and paraprofessionals providing services, along with such professionals and paraprofessionals aggregate hours and respective billing rates, (ii) a general description of services rendered, (iii) a detailed breakdown of disbursements incurred and

(iv) an explanation of Skadden Arps' billing practices to the Debtors, the Debtors' bankruptcy counsel and counsel to the Creditors' Committee<sup>1</sup>

19 As required by the Administrative Order, the Amended Guidelines and the UST Guidelines Skadden Arps submitted two interim applications seeking Court approval of the amounts requested in the relevant Monthly Statements The Application Of Skadden Arps Slate Meagher & Flom LLP For Interim Compensation For Professional Services Rendered And Reimbursement For Disbursements Incurred As Special Counsel For The Debtors For The Period From November 27 2002 Through February 28, 2003 (the "First Interim Application") was approved by the Court on June 11, 2003 A copy of the First Interim Application including the relevant Monthly Statements, and the Court's order approving such application are attached as Exhibits D and E, respectively The Application Of Skadden Arps, Slate, Meagher & Flom LLP For Interim Compensation For Professional Services Rendered And Reimbursement For Disbursements Incurred As Special Counsel For The Debtors For The Period From March 1 2003 Through July 31, 2003 (the "Second Interim Application ") was approved by the Court on October 22, 2003 A copy of the Second Interim Application, including the relevant Monthly Statements, and the Court's order approving such application are attached as Exhibits F and G respectively

20 Skadden Arps has received payment in full of the amounts requested in Monthly Statements incorporated into the First Interim Application and

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<sup>1</sup> Specifically Skadden Arps submitted Monthly Statements for fees and disbursements for each month during the Application Period The Monthly Statements should be consulted for a detailed description of the specific services provided and expenses incurred during the Application Period by Skadden Arps in its representation of the Debtors and are incorporated herein by reference

the Second Interim Application Skadden, Arps has received no objections to the requested fees and expenses requested in the Monthly Applications for August September, October and November 2003<sup>2</sup> and has received payment for eighty percent (80%) of its requested fees and one-hundred percent (100%) of its requested expenses for the period of August 1 2003 through September 30, 2003 Skadden Arps has not yet received a check for \$10 861 93 representing eighty percent (80%) of its requested fees and one-hundred percent (100%) of its requested expenses for the period of October 1 2003 through October 31 2003 although it understands that such a check was mailed on December 19 2003 Skadden Arps recently submitted a Monthly Statement for the period of November 1 2003 through November 30 2003, but has not yet received payment for the amounts requested therein As of the date hereof, the total amount of compensation for services rendered and actual and necessary out of-pocket disbursements and charges incurred during the Application Period, but not yet paid by the Debtors and received by Skadden Arps (the "Unpaid Amounts") totals \$38,183 74

21 Specifically, Skadden, Arps submits this Application seeking an order under Bankruptcy Code sections 330 and 331 allowing (i) compensation in the amount of \$1,537,115 00 for professional services rendered by it during the Application Period as special counsel to the Debtors in these chapter 11 cases which amount is derived solely from the applicable hourly billing rates of the firm's personnel who rendered such services<sup>3</sup> and (ii) reimbursement of actual and neces

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<sup>2</sup> Copies of these Monthly Statements are attached hereto as Exhibits H through K

<sup>3</sup> During the Application Period certain of the professionals and paraprofessionals listed herein billed time to a matter specifically designated (continued )

sary out of-pocket disbursements and charges in the amount of \$109,771.80 incurred in the rendition of required professional services on behalf of the Debtors,<sup>4</sup> and (iii) authorizing payment of the Unpaid Amounts

22 Skadden Arps has received no promise of payment for professional services rendered or to be rendered in these cases other than in accordance with the provisions of the Bankruptcy Code and Rules

#### **BASIS FOR RELIEF**

23 Skadden, Arps professionals have contributed greatly to the commencement and progress of the Debtors' chapter 11 cases. Since its retention in July of 2002, Skadden Arps has worked closely and diligently with the Debtors in finding and consummating a restructuring transaction that would provide the best return for all parties in interest. After determining that the transaction with Level 3 was the best alternative, the Debtors and Skadden Arps exerted extensive pre-petition and post-petition efforts to ensure that the Debtors would be able to efficiently consummate the sale to Level 3. The filing of these cases and the subsequent sale to Level 3 is the result of these efforts. Consequently, Skadden Arps submits that its representation of and legal services and advice provided to the Debtors

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<sup>3</sup> ( continued)  
for non-working travel time. As noted in the Monthly Statements, attached hereto and incorporated herein by reference, Skadden Arps voluntarily reduced the amounts requested for non-working travel time by fifty percent, which reduction is reflected in the hourly billing rates of those professionals and paraprofessionals billing time to that matter.

<sup>4</sup> Charges and disbursements are invoiced pursuant to Skadden Arps Policy Statement Concerning Charges and Disbursements Under Standard Bundled Rate Structure, a copy of which is attached to the affidavit submitted in support of the Retention Motion.



throughout the Application Period were necessary and beneficial to the Debtors, their creditors and estates

24 During the Application Period, professionals of Skadden, Arps devoted a total of 4,963 70 hours to representation of the Debtors in their chapter 11 cases. Of the aggregate time expended, approximately 748 30 hours were spent by partners, 43 90 hours were spent by counsel, 2 528 80 hours were spent by associates and 1,642 70 hours were spent by paraprofessionals. The summary chart provided at the beginning of this Application reflects the name, position, year of admission (as appropriate), hourly billing rate and number of hours worked by each Skadden, Arps professional during the Application Period. As summarized by the chart at the beginning of this Application, these professionals billed their services in these cases to numerous matters covering discrete activities. The Monthly Applications should be consulted for a detailed description of the services rendered by Skadden, Arps during the Application Period and are incorporated herein by reference.

#### **DESCRIPTION OF SERVICES RENDERED**

25 It is not possible within the confines of this Application to describe in detail the many issues, conferences, telephone conversations, negotiations and other matters that occupied Skadden, Arps professionals' time in the Debtors' cases during the Application Period. The following description of the firm's services therefore is merely a summary of the matters that occupied the most substantial amounts of professional time during the Application Period. Additional matters on which Skadden, Arps professionals worked are described in the daily time details of each professional, copies of which are attached to the Monthly Statements.

**A Corporate, Sales Related and Transactional Matters  
(Amount Sought \$1,085,393 50)**

26 The key accomplishment of Skadden, Arps during the Application Period was spearheading the legal effort to close the complex and critical sale transaction with Level 3 Pursuant to this transaction, Level 3 agreed to pay over \$240 million (subject to certain adjustments) for substantially all of the Debtors assets and to ensure that the Debtors' total rejection damage claims did not exceed \$600 million The transfer of the assets and the assumption and rejection of contracts was accomplished through a series of complex procedures with all such procedures subject to approval by the Court To this end Skadden Arps professionals worked with the Debtors and the Debtors' other professionals on preliminary matters related to the sale transaction such as the preparation of due diligence term sheets and confidentiality agreements for potential bidders and applications for necessary governmental approval of the proposed transaction As the sale process intensified Skadden Arps professionals spent substantial time working with the Debtors and the Debtors' other professionals to negotiate confidentiality agreements with potential bidders facilitate the due diligence review by such potential bidders through the maintenance of a data room, and review and evaluate term sheets and other sale proposals received with respect to the sale transaction Additionally Skadden Arps professionals spent extensive time negotiating with the Debtors, Level 3 and the Debtors' primary creditor constituencies including the Creditors' Committee, with respect to improving the economic and non-economic terms of the proposed sale transaction

27 Throughout the Application Period, Skadden Arps professionals also assisted the Debtors' bankruptcy counsel, Ropes & Gray, with transitional

matters related to the sale transaction, including the development of strategy with respect to the timing and economic consequences of the sale preparations for hearings related to the sale negotiations with key parties with respect to the bankruptcy aspects of the transaction and preparations with respect to and assistance in complying with the extensive noticing process required by the sale motion and the Bankruptcy Code and Rules

28 As a result of the efforts of Skadden Arps and the Debtors' other professionals, the Debtors received Court approval of the sale transaction on January 24 2003, less than two months after the filing of these cases, and closed the sale transaction on February 4 2003

29 During the Application Period, Skadden Arps professionals devoted a total of 3,605 10 hours to corporate and transactional matters, for which compensation in the amount of \$1 085 393 50 is sought

**B Transitional Matters  
(Amount Sought \$451,721 50)**

30 Throughout the Application Period Skadden, Arps professionals worked diligently to assist Ropes & Gray as it transitioned its role from special counsel to bankruptcy counsel Specifically, Skadden, Arps professionals assisted the Debtors and Ropes & Gray with transitional matters including facilitating the transferral of Skadden Arps professionals' documentary and institutional knowledge of the Debtors to Ropes & Gray through the delivery of documents and participation in necessary on site and telephonic conferences As part of this process Skadden Arps assisted Ropes & Gray with preparations for the various hearings scheduled before the Court related to the sale transaction and other transitional matters and

responded to and forwarded correspondence and questions of parties-in-interest relating to these cases to Ropes & Gray

31 During the Application Period Skadden, Arps professionals devoted a total of 1,358.60 hours to transitional matters for which compensation in the amount of \$451,721.50 is sought

#### ALLOWANCE OF COMPENSATION

32 Bankruptcy Code section 331 provides for interim compensation of professionals and incorporates the substantive standard of section 330 to govern the Court's award of such compensation. See 11 U.S.C. § 331. Bankruptcy Code section 330 provides that a court may award a professional employed under Bankruptcy Code section 327 "reasonable compensation for actual necessary services rendered and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, extent, and the value of such services, taking into account all relevant factors, including

- (A) the time spent on such services
- (B) the rates charged for such services
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the services were rendered toward the completing of, a case under this title
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed, and

(E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title

11 U.S.C. § 330(a)(3)

33     **Standing at the Bar and Experience** The partners in charge of Skadden, Arps' engagement are Kent A. Coit, Sally McDonald Henry and J Gregory Milmoé. Mr. Coit is a member in Skadden Arps' mergers and acquisition and corporate finance department and has extensive experience with complex corporate transactions. Throughout his more than twenty years of experience, Mr. Coit has advised clients in connection with negotiated and hostile acquisitions, public and private financings, spin offs, recapitalizations, joint ventures, licensing agreements and transactions involving chapter 11 restructurings.

34     Ms. Henry and Mr. Milmoé are members of Skadden, Arps' corporate restructuring department and have extensive experience in providing restructuring advice to troubled companies. Together, Ms. Henry and Mr. Milmoé have more than twenty years of experience representing debtors, creditors, committees, investment bankers and accountants in reorganization and bankruptcy ancillary cases, as well as out of court restructurings and corporate transactions. Collectively, Mr. Coit, Ms. Henry and Mr. Milmoé supervised and coordinated the daily activities of the Skadden, Arps professionals working on these cases while also providing crucial advice and support to the Debtors on matters for which Skadden Arps was retained.

35     Skadden Arps achieved cost efficiencies during the Application Period by employing a streamlined case management structure. Instead of assigning various professionals to the myriad of tasks that arose during the case,

Skadden Arps identified a core group of counsel and associates who were assigned responsibility for specific matters and types of matters. This allowed (i) certain professionals to work almost exclusively on certain discrete matters in the Debtors' cases, (ii) Skadden, Arps to staff the case with as little partner involvement as possible and (iii) Skadden Arps to avoid the performance of duplicative or unnecessary work.

36 **Compensation Sought** Skadden Arps respectfully submits that the professional services for which it seeks compensation in these cases were reasonable, necessary for and beneficial to the Debtors' reorganization efforts and in the best interest of the Debtors' estates. Because of the benefits realized by the Debtors, the nature of these cases, the standing at the bar of the professionals who rendered services, the amount of work done, the time consumed, the skill required, and the contingent nature of the compensation, Skadden Arps requests that it be allowed compensation for professional services rendered during the Application Period in the sum of \$1,537,115.00.

37 **Reimbursement of Expenses** During the Application Period, Skadden Arps has incurred in the rendition of professional services in these cases and requests reimbursement for, sums for actual and necessary expenses totaling \$1,097,718.80. Skadden Arps' actual and necessary expenses for the Application Period are summarized at the front of this Application and described in detail in the Monthly Applications.<sup>5</sup>

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<sup>5</sup> Skadden, Arps' request for reimbursement of actual and necessary expenses includes charges for internal copying at the rate of \$ 10 per page. While Skadden Arps does not seek reimbursement from the Debtors for facsimile transmissions, it does seek reimbursement for the telecommunication charges incurred in the process of sending facsimile transmissions.

38 Other than between Skadden, Arps and its affiliated law practices and their members, no agreement or understanding exists between Skadden, Arps and any other person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases, nor will any be made except as permitted under Bankruptcy Code section 504(b)(1)

#### **MEMORANDUM OF LAW**

39 Skadden, Arps submits that no new or novel issue of law is presented with respect to the matters contained herein. Because the relevant authorities in support of the requested relief are cited in this Motion, Skadden, Arps' respectfully requests that the requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied.

40 As certified below, notice of this Application has been provided to the Debtors, the Debtors' bankruptcy counsel, the United States Trustee and the Creditors' Committee. Skadden, Arps submits that given its compliance with the Administrative Order and the Amended and UST Guidelines, no other or further notice need be given.

### **CERTIFICATION OF APPLICANT**

The undersigned representative of Skadden Arps has read this Application and certifies that to the best of the undersigned's knowledge information and belief formed after reasonable inquiry, and except as otherwise provided herein (i) the fees and disbursements sought in this Application fall within the Amended Guidelines and the UST Guidelines (ii) the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by Skadden Arps and generally accepted by Skadden Arps' bankruptcy clients and (iii) in providing a reimbursable service, Skadden, Arps does not make a profit on that service regardless of whether the service is performed by Skadden, Arps in-house or through a third-party vendor To the extent that the Application does not comply in all respects with the requirements of the Administrative Order, the Amended Guidelines or the UST Guidelines Skadden, Arps believes such deviations are not material and respectfully requests that any such requirement(s) be waived



### CERTIFICATION OF NOTICE

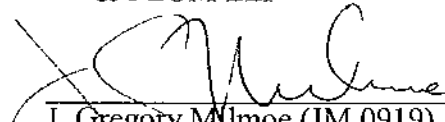
The undersigned representative of Skadden Arps hereby certifies that the undersigned caused the Monthly Statements to be served upon the Debtors the Debtors' bankruptcy counsel Ropes & Gray, the United States Trustee and counsel to the Creditors' Committee no later than twenty days after the end of each month during the Application Period (with the exception of the four days of November 2002 which were combined with December, 2002 for administrative convenience) The undersigned representative of Skadden Arps further certifies that the undersigned caused this Application to be served on the following parties by overnight courier on or before ten days prior to the date set as the deadline for the filing of this Application

- 1 Andrew Borggaard Esq GLT Liquidating Trust 400 Unicorn Park  
Woburn Massachusetts 01801,
- 2 Brian Masumoto Esq Office of the United States Trustee 33  
Whitehall Street 21st Floor New York, New York 10004
- 3 David M Feldman Esq Kramer Leven Naftalis & Franklm LLP  
919 Third Avenue, New York, New York 10022

WHEREFORE Skadden Arps respectfully requests that the Court (a) approve the requested compensation for professional services rendered as special counsel for the Debtors during the Application Period in the amount of \$1,537,115 00 including authorizing the payment of the Unpaid Amounts, (b) approve the requested reimbursement of actual and necessary charges and disbursements incurred during the Application Period in the amount of \$109 771 80, including authorizing the payment of the Unpaid Amounts, and (c) grant Skadden Arps such other and further relief as is just and proper

Dated New York New York  
December 23 2003

SKADDEN ARPS, SLATE, MEAGHER  
& FLOM LLP



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J. Gregory Milmo (JM 0919)  
(A Member of the Firm)  
Sally McDonald Henry (SH 0839)  
Four Times Square  
New York New York 10036  
(212) 735-3000

Special Counsel for Debtors and  
Debtors-in-Possession

## INDEX OF EXHIBITS

Exhibit A		Bankruptcy Rule 2016 Declaration
Exhibit B	-	Administrative Order
Exhibit C	-	Retention Order
Exhibit D	-	First Interim Application
Exhibit E	-	First Interim Order
Exhibit F	-	Second Interim Application
Exhibit G	-	Second Interim Order
Exhibit H		Monthly Statement for August 1, 2003 through August 31 2003
Exhibit I		Monthly Statement for September 1, 2003 through September 30 2003
Exhibit J		Monthly Statement for October 1 2003 through October 31, 2003
Exhibit K	-	Monthly Statement for November 1 2003 through November 30 2003

EXHIBIT A

SKADDEN ARPS SLATE MEAGHER & FLOM LLP  
Four Times Square  
New York New York 10036-6522  
(212) 735 3000  
J Gregory Milmoe (JM 0919)  
Sally McDonald Henry (SH 0839)

Special Counsel for Genuity Inc , et al ,  
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - - X

In re

GENUITY INC et al

Debtors

- - - - - X

Chapter 11

Case No 02-43558 (PCB)

(Jointly Administered)

Affects All Debtors

**DECLARATION OF J GREGORY MILMOE UNDER FED R BANKR P 2016<sup>1</sup>**

I, J GREGORY MILMOE, declare as follows

1 I am a member of the firm of Skadden Arps Slate, Meagher & Flom LLP ("Skadden, Arps") which maintains an office for the practice of law at Four Times Square, New York New York 10036 6522

2 Skadden Arps has acted as special counsel for and rendered professional services in this case to Genuity Inc and its subsidiaries and affiliates, debtors and debtors in possession in the above-captioned chapter 11 cases (collectively the "Debtors") I submit this declaration in support of the Final Application of Skadden Arps Slate Meagher & Flom LLP for Compensation for Professional Services Rendered and Reimbursement for Disbursements Incurred as Counsel for the Debtors for the Period from November 27, 2002 through December 2, 2003

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<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Application

dated December 23, 2003 (the "Application"), submitted under 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure

3 The compensation sought in the Application is based in part on Skadden, Arps' guideline hourly rates, which are periodically adjusted in the normal course of the firm's business, often due to the increased experience of a particular professional. Skadden, Arps and the Debtors have agreed that Skadden, Arps' bundled rate structure will apply to these cases and therefore Skadden, Arps will not be seeking to be separately compensated for certain staff, clerical, and resource charges for which it normally charges

4 Other than between Skadden, Arps and its affiliated law practices and their members, no agreement or understanding exists between Skadden, Arps and any other person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases, nor will any be made except as permitted under Bankruptcy Code section 504(b)(1)

5 Skadden, Arps has submitted monthly statements of fees and disbursements (the "Monthly Statements") accrued during each month within the Application Period. Skadden, Arps received no objections to the fees and expenses requested in the Monthly Statements. Skadden, Arps has also submitted interim applications (the "Interim Applications") requesting, among other things, payment of the remaining twenty percent (20%) of its fees requested in the Monthly Statements incorporated into the Interim Applications. Skadden, Arps has received payment in full of the amounts requested in Monthly Statements incorporated into the Interim Applications. Skadden, Arps has received no objections to the requested fees and expenses requested in the Monthly Applications for August, September

October and November 2003,<sup>2</sup> and has received payment for eighty percent (80%) of its requested fees and one hundred percent (100%) of its requested expenses for the period of August 1 2003 through September 30 2003 Skadden, Arps has not yet received a check for \$10,861 93, representing eighty percent (80%) of its requested fees and one-hundred percent (100%) of its requested expenses for the period of October 1, 2003 through October 31, 2003 although it understands that such a check was mailed on December 19 2003 Skadden Arps also recently submitted a Monthly Statement for the period of November 1, 2003 through November 30 2003 but has not yet received payment for the amounts requested therein As of the date hereof the total amount of compensation for services rendered and actual and necessary out of pocket disbursements and charges incurred during the Application Period but not yet paid by the Debtors and received by Skadden Arps totals \$38 183 74

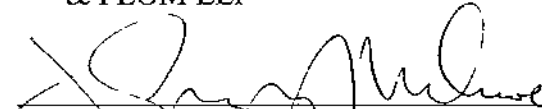
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<sup>2</sup> Copies of these Monthly Statements are attached as Exhibits H through K to the Application

I declare under the penalty of perjury that the foregoing is true and correct

Dated New York New York  
December 23 2003

SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP



J Gregory Milmoë (JM 0919)  
(A Member of the Firm)  
Four Times Square  
New York New York 10036  
(212) 735 3000

Special Counsel for Debtors and  
Debtors-in-Possession



EXHIBIT B

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
GENUITY INC et al	)	Case No 02-43558 (PCB)
Debtors	)	Jointly Administered

**ADMINISTRATIVE ORDER, PURSUANT TO SECTIONS 105(a) AND 331  
OF THE BANKRUPTCY CODE ESTABLISHING PROCEDURES  
FOR INTERIM COMPENSATION AND REIMBURSEMENT  
OF EXPENSES OF PROFESSIONALS**

Upon consideration of the Motion for Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated December 23 2002 (the Motion )<sup>1</sup> of the above captioned debtors and debtors in possession (collectively the Debtors") for entry of an order pursuant to sections 105(a) and 331 of the Bankruptcy Code establishing procedures for interim compensation and reimbursement of expenses of professionals as more fully set forth in the Motion and it appearing that the Court has jurisdiction to consider the Motion and it appearing that the relief requested in the Motion is in the best interests of the Debtors their estates and creditors and it appearing that due and proper notice of the Motion has been given and no other or further notice is necessary and upon the record in these cases and after due deliberation thereon and good and sufficient cause appearing therefor

IT IS HEREBY ORDERED THAT

<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Motion

1 The Motion is GRANTED

2 Except as otherwise provided in Court orders authorizing the retention of specific professionals all professionals in this case may seek interim compensation in accordance with the following procedure

- i On or before the twentieth (20th) day of each month following the month for which compensation is sought each professional seeking compensation other than a professional retained as an ordinary course professional will serve a monthly statement by hand or overnight delivery on (i) Steven N Avruch Esq the officer designated by the Debtors to be responsible for such matters (ii) Don S DeAmicis counsel for the Debtors (iii) the Office of the United States Trustee and (iv) David Feldman counsel for the Official Committee of Unsecured Creditors and (v) counsel to any other statutory committee appointed in these Chapter 11 cases
- ii The monthly statement need not be filed with the Court and a courtesy copy need not be delivered to the presiding judge's chambers since this Motion is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code and since professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Code the Federal Rules of Bankruptcy Procedure and the Local Rules for the United States Bankruptcy Court for the Southern District of New York
- iii Each monthly fee statement must contain a list of the individuals and their respective titles (e.g. attorney accountant or paralegal) who provided services during the statement period their respective billing rates the aggregate hours spent by each individual a reasonably detailed breakdown of the disbursements incurred (no professional should seek reimbursement of an expense which would otherwise not be allowed pursuant to the Court's Administrative Orders dated June 24 1991 and April 21 1995 or the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 dated January 30 1996) and contemporaneously maintained time entries for each individual in increments of tenths (1/10) of an hour

- iv Each person receiving a statement will have at least fifteen (15) days after service to review such statement and in the event that he or she has an objection to the compensation or reimbursement sought in a particular statement, he or she shall by no later than the thirty-fifth (35th) day following the month for which compensation is sought serve upon the professional whose statement is objected to and the other persons designated to receive statements in paragraph (a) a written 'Notice Of Objection To Fee Statement' setting forth the nature of the objection and the amount of fees or expenses at issue
- v At the expiration of the thirty five (35) day period the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified in each monthly statement to which no objection has been served in accordance with paragraph (iv)
- vi If the Debtors receive an objection to a particular fee statement they shall withhold payment of that portion of the fee statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (v)
- vii If the parties to an objection are able to resolve their dispute following the service of a Notice Of Objection To Fee Statement and if the party whose statement was objected to serves on all of the parties listed in paragraph (i) a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution then the Debtors shall promptly pay in accordance with paragraph (vi) that portion of the fee statement which is no longer subject to an objection
- viii All objections that are not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be heard by the Court (See paragraph (x) below)
- ix The service of an objection in accordance with paragraph (iv) shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not Furthermore the decision by any party not to object to a fee statement shall not be a waiver of any kind or prejudice that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code

- x Approximately every 120 days but no more than every 150 days each of the professionals shall serve and file with the Court an application for interim or final Court approval and allowance pursuant to sections 330 and 331 of the Bankruptcy Code (as the case may be) of the compensation and reimbursement of expenses requested
- x1 Any professional who fails to file an application seeking approval of compensation and expenses previously paid under this motion when due shall (1) be ineligible to receive further monthly payments of fees or expenses as provided herein until further order of the Court and (2) may be required to disgorge any fees paid since retention or the last fee application whichever is later
- x11 The pendency of an application or a Court order that payment of compensation or reimbursement of expenses was improper as to a particular statement shall not disqualify a professional from the future payment of compensation or reimbursement of expenses as set forth above unless otherwise ordered by the Court
- x111 Neither the payment of nor the failure to pay in whole or in part monthly compensation and reimbursement as provided herein shall have any effect on this Court's interim or final allowance of compensation and reimbursement of expenses of any professionals and
- x114 Counsel for any official committee may in accordance with the foregoing procedure for monthly compensation and reimbursement of professionals collect and submit statements of expenses with supporting vouchers from members of the committee he or she represents provided however that such committee counsel ensures that these reimbursement requests comply with the Court's Administrative Orders dated June 24 1991 and April 21 1995

3 Each member of the Creditors Committee in this case is permitted to submit statements of expenses and supporting vouchers to counsel (and co counsel if appointed) for the Creditors Committee who will collect and submit such requests for reimbursement in accordance with the foregoing procedures for monthly and interim compensation and reimbursement of professionals

4      Sending notice of hearing to consider interim applications to (i) the Office of the United States Trustee (ii) counsel for the Creditors Committee and (iii) all parties having filed a notice of appearance and request for notices under Rule 2002 of the Federal Rules of Bankruptcy Procedure shall be good and sufficient notice

Dated New York, New York  
January 7 2003

/s/ Prudence Carter Beatty

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The Honorable Prudence C. Beatty  
United States Bankruptcy Judge

EXHIBIT C

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

----- x      **Chapter 11**  
**In re**      **Case No 02-43558 (PCB)**  
**GENUITY INC , et al ,**      **(Jointly Administered)**  
**Debtors**      **Affects All Debtors**

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**ORDER UNDER 11 U S C §§ 327(e) AND 329 AND FED R  
BANKR P 2014 AND 2016 AUTHORIZING EMPLOYMENT AND  
RETENTION OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
AND AFFILIATES AS SPECIAL COUNSEL FOR DEBTORS-IN-POSSES-  
SION EFFECTIVE FROM THE PETITION DATE**

Upon the application dated December 18 2002 (the Application )<sup>1</sup>  
of Genuity Inc ("Genuity") and certain of its subsidiaries (the Subsidiary Debtors")  
debtors and debtors-in possession in the above captioned cases (collectively the  
Debtors") for entry of an order under 11 U S C §§ 327(e) and 329 and Fed R  
Bankr P 2014 and 2016 authorizing the employment and retention of Skadden  
Arps Slate Meagher & Flom LLP and its affiliated law practice entities (collec-  
tively Skadden Arps") as special counsel for the Debtors and the Court having  
reviewed the Application the O'Brien Affidavit the Milmoé Affidavit the Parker  
Declaration and the Supplemental Milmoé Affidavit (together the Affidavits") and

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<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Application



the Court being satisfied with the representations made in the Application and the Affidavits that Skadden Arps represents no interest adverse to the estates with respect to the matters on which Skadden Arps is to be employed that its employment as provided for herein is necessary and in the best interests of the Debtors estates creditors and other parties in interest and it appearing that notice of the Application was good and sufficient under the particular circumstances and that no other or further notice need be given and upon the record herein and after due deliberation thereon and good and sufficient cause appearing therefor it is hereby

**ORDERED, ADJUDGED AND DECREED THAT**

- 1 The Application is GRANTED
- 2 The Debtors as debtors and debtors in possession, are authorized to employ and retain Skadden Arps under Bankruptcy Code sections 327(e) and 329 as their attorneys as of the commencement of these cases to perform the services set forth herein
- 3 Scope of Special Counsel Services Skadden Arps will continue to provide corporate and transactional services with respect to the proposed asset sale to Level 3 and any alternative bids Skadden Arps will not however be representing the Debtors before the Court or handling bankruptcy matters (except to assist with transitional matters and except as related to the aforesaid corporate and

transactional services) or any matters relating to Verizon or its subsidiaries. The services to be provided by Skadden Arps include advice with respect to the Asset Purchase Agreement (including negotiating and documenting any waivers or amendments of any provisions thereof) negotiating and advising the Debtors with respect to alternative bids and agreements related thereto and all other corporate and transactional services related to or in connection with the transactions contemplated by the Asset Purchase Agreement or any alternative asset purchase agreements.

4 Although Ropes & Gray will now be responsible for the Debtors' bankruptcy matters, Skadden Arps will continue to work on a number of transitional issues that will be required to assist Ropes & Gray in taking over the representation of the Debtors in bankruptcy matters. This transitional work will include coordinating projects underway with the goal of a fluid transition, informing Ropes & Gray and Genuity Group employees of the status of numerous matters and contacts from parties in interest, and assisting with and helping to coordinate the notices required to complete the Level 3 transaction (or any alternative transaction).

5 Skadden Arps shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of the United States Bankruptcy Court for the Southern District of New York, the United States Trustee Fee Guidelines, and any orders entered in these cases.

governing professional compensation and reimbursement for services rendered and charges and disbursements incurred

6 Skadden Arps is authorized to apply the amounts presently held as a retainer to pay any fees charges and disbursements relating to services rendered to the Debtors before the Petition Date that remain unpaid as of such date

7 The requirement under Local Bankr R 9013-1(b) for the service and filing of a separate memorandum of law is deemed satisfied by the Application

Dated New York, New York  
January 7 2003

/s/ Prudence Carter Beatty

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Prudence Carter Beatty  
United States Bankruptcy Judge

EXHIBIT D

SKADDEN ARPS, SLATE, MEAGHER & FLOM LLP  
Four Times Square  
New York, New York 10036 6522  
(212) 735 3000  
J Gregory Milmo (JM 0919)  
Sally McDonald Henry (SH 0839)

Special Counsel for Genuity Inc et al  
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - x Chapter 11  
In re Case No 02 43558 (PCB)  
GENUITY INC et al (Jointly Administered)  
Debtors Affects All Debtors  
- - - x

**SUMMARY OF APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP FOR INTERIM COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT FOR DISBURSEMENTS  
INCURRED AS SPECIAL COUNSEL FOR THE DEBTORS FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH FEBRUARY 28, 2003**

TO THE HONORABLE PRUDENCE CARTER BEATTY,  
UNITED STATES BANKRUPTCY JUDGE

Name of applicant Skadden, Arps, Slate, Meagher & Flom LLP

Authorized to provide professional services to Genuity Inc., et al

Date of retention November 27, 2002

Period for which compensation and reimbursement are sought 11/27/02 2/28/03

Total amount of compensation sought as actual reasonable and necessary \$ 1,309,304 00

Total amount of expense reimbursement sought as actual reasonable and necessary \$ 81,672 38

Total amount of compensation paid (80%) as actual reasonable and necessary \$ 1,047,443 20

Total amount of expense reimbursement paid as actual reasonable and necessary \$ 81,672 38

Total amount of holdback fees (20%) sought \$ 261,860 80

This is a(n) X interim    final application

**CUMULATIVE SUMMARY BY PROFESSIONAL**

<b><u>NAME</u></b>	<b><u>YEAR OF ADMISSION</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>AMOUNT</u></b>
<b><u>PARTNERS</u></b>				
Kent A. Coit	1982	\$655.00	240.20	\$157,331.00
Eric M. Davis	1992	\$520.00	181.50	\$89,622.00
Sally McDonald Henry	1983	\$625.00	130.10	\$80,218.75
Warren G. Lavey	1979	\$680.00	10.50	\$7,140.00
J. Gregory Milmo	1976	\$725.00	86.40	\$62,640.00
David L. Nagler	1993	\$545.00	24.00	\$13,080.00
<b>TOTAL PARTNERS</b>			<b>672.70</b>	<b>\$410,031.75</b>
<b><u>COUNSEL</u></b>				
Brian C. Mohr	1979	\$485.00	31.10	\$15,083.50
Juliette W. Pryor	1992	\$485.00	10.10	\$4,898.50
<b>TOTAL COUNSEL</b>			<b>41.20</b>	<b>\$19,982.00</b>
<b><u>ASSOCIATES</u></b>				
Kris Agarwal	2003	\$240.00	67.30	\$16,152.00
David E. Barrett	2002	\$295.00	65.00	\$19,175.00
Theresa V. Brown Edwards	1998	\$395.00	3.20	\$1,264.00
Ross E. Cohen	2002	\$240.00	37.30	\$8,652.00
Yael Dar	2000	\$335.00	366.80	\$122,878.00
Anthony Decicco	Pending	\$240.00	16.70	\$3,852.00
John G. Derderian	2003	\$240.00	169.30	\$38,064.00
Barbara M. Dunne	1999	\$395.00	147.20	\$58,144.00
Laura Engelhardt	2001	\$335.00	273.30	\$91,354.50
Jarett Epstein	Pending	\$240.00	56.50	\$13,560.00
Thomas A. Ferree	Pending	\$240.00	18.80	\$4,512.00
Mordecai L. Geisler	Pending	\$240.00	18.60	\$4,464.00
Cheri L. Hoff	1993	\$455.00	217.70	\$96,824.00
David R. Hurst	1998	\$395.00	135.30	\$49,849.00
Harry L. Hutchinson Jr	Pending	\$240.00	47.90	\$11,496.00
Daniel T. Janus	Pending	\$240.00	86.50	\$20,016.00
Ivy Johnson	2002	\$295.00	21.70	\$6,401.50
William J. Lundregan	1996	\$455.00	187.60	\$85,016.75

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Kim Newby	1994	\$475 00	10 00	\$4 750 00
Julia Paskaloff	2002	\$295 00	77 90	\$22 980 50
Jeannette N Pina	2000	\$375 00	91 00	\$34 125 00
John P Sheahan	1998	\$395 00	7 30	\$2 883 50
Patricia A Widdoss	1998	\$395 00	64 70	\$25,556 50
<b>TOTAL ASSOCIATES</b>			<b>2187 60</b>	<b>\$741 970 25</b>
<b>PARAPROFESSIONALS</b>				
Malukah Ashby	N/A	\$160 00	29 20	\$4 672 00
Lynn T Buckley	N/A	\$150 00	3 20	\$480 00
Shelley E Dague	N/A	\$130 00	6 90	\$897 00
David Grimm	N/A	\$110 00	164 50	\$17 737 50
David C Kaicher	N/A	\$130 00	428 10	\$50 271 00
Helen B Kaplan	N/A	\$130 00	7 00	\$910 00
Mary E Keogh	N/A	\$150 00	11 20	\$1 680 00
Michael L Kreiner	N/A	\$110 00	197 20	\$21 692 00
Mikael Levey	N/A	\$110 00	82 60	\$9 086 00
Tracey L Lewis	N/A	\$130 00	0 70	\$91 00
Daniel A Mayer	N/A	\$130 00	6 00	\$780 00
Timothy G Murphy	N/A	\$130 00	7 00	\$910 00
Yi Nie	N/A	\$110 00	124 90	\$13 739 00
Racquel H Reinstein	N/A	\$110 00	41 50	\$4 565 00
Joseph J Roman	N/A	\$80 00	19 00	\$1 520 00
Samuel R Rowley	N/A	\$130 00	26 40	\$3 432 00
James A Salkind	N/A	\$130 00	7 00	\$910 00
Erin Suda	N/A	\$130 00	6 80	\$884 00
Stephanie Skelly	N/A	\$130 00	5 20	\$676 00
Michael Sullivan	N/A	\$195 00	6 90	\$1 345 50
Jenny Wales	N/A	\$130 00	7 00	\$910 00
Edward Zeltser	N/A	\$110 00	1 20	\$132 00
<b>TOTAL PARAPROFESSIONALS</b>			<b>1189 50</b>	<b>\$137,320 00</b>
<b>GRAND TOTAL</b>			<b>4091 00</b>	<b>\$1,309,304 00</b>
<b>BLENDED HOURLY RATE</b>				<b>\$320</b>

**CUMULATIVE SUMMARY OF PRIOR MONTHLY FEE STATEMENTS SUBMITTED  
BY SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS FOR  
THE PERIOD FROM NOVEMBER 27, 2002 THROUGH FEBRUARY 28, 2003**

<u>SUBMISSION/ FILING DATE</u>	<u>PERIOD COVERED</u>	<u>TOTAL FEES REQUESTED</u>	<u>TOTAL EXPENSES REQUESTED</u>	<u>AMOUNT OF FEES PAID (80%)</u>	<u>AMOUNT OF EXPENSES PAID (100%)</u>	<u>AMOUNT OF HOLDBACK FEES SOUGHT</u>
1/20/03	11/27/02 12/31/02	\$609,452.25	\$32,477.38	\$487,561.80	\$32,477.38	\$121,890.45
2/20/03	1/1/03 1/31/03	\$544,123.50	\$28,538.75	\$435,298.80	\$28,538.75	\$108,824.70
3/20/03	2/1/03 2/28/03	\$155,728.25	\$20,656.25	\$124,582.60	\$20,656.25	\$31,145.65
<b>TOTALS FOR FIRST INTERIM PERIOD</b>	11/27/02 2/28/03	<b>\$1,309,304.00</b>	<b>\$81,672.38</b>	<b>\$1,047,443.20</b>	<b>\$81,672.38</b>	<b>\$261,860.80</b>



**CUMULATIVE COMPENSATION SUMMARY BY PROJECT CATEGORY  
 REQUESTED IN MONTHLY FEE STATEMENTS SUBMITTED BY  
 SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED AND  
 REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS  
 FOR THE PERIOD FROM NOVEMBER 27, 2002 THROUGH FEBRUARY 28, 2003**

<b>PROJECT CATEGORY</b>	<b>TOTAL HOURS</b>	<b>TOTAL AMOUNT</b>
<b><i>CORPORATE AND TRANSACTIONAL MATTERS</i></b>	<b><i>2946 20</i></b>	<b><i>\$911,526 50</i></b>
Asset Dispositions	2946 20	\$911 526 50
<b><i>TRANSITIONAL MATTERS</i></b>	<b><i>1144 80</i></b>	<b><i>\$397,777 50</i></b>
Business Operations	119 90	\$61 371 50
Case Administration	407 30	\$132,254 50
Claims Administration and Objections	2 60	\$1 027 00
Creditors Meetings/Committees	44 10	\$26 103 50
Employee Matters	108 50	\$54 365 00
Leases (Real Property)	14 90	\$6 123 50
Non working Travel Time	166 20	\$21 270 50
Reports and Schedules	3 00	\$1 161 00
Retention/Fee Matters (SASM&F)	207 80	\$62 724 50
Retention/Fee Matter/Objections (Others)	39 50	\$15 325 50
Utilities	6 70	\$3 613 50
Vendor Matters	24 30	\$12,437 50
<b>GRAND TOTAL</b>	<b>4091 00</b>	<b>\$1,309,304 00</b>

**CUMULATIVE EXPENSE SUMMARY BY EXPENSE CATEGORY  
 REQUESTED IN MONTHLY FEE STATEMENTS SUBMITTED BY  
 SKADDEN, ARPS FOR COMPENSATION FOR SERVICES RENDERED AND  
 REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE DEBTORS  
 FOR THE PERIOD FROM NOVEMBER 27, 2002 THROUGH FEBRUARY 28, 2003**

<b>EXPENSE CATEGORY</b>	<b>TOTAL EXPENSES</b>
Computer Legal Research	\$5 199 77
Reproduction	\$20 592 90
Outside Reproduction & Binding	\$25 610 47
Courier/Express/Postage	\$5 804 55
Telecommunications	\$3 424 43
Business Travel & Lodging	\$13 918 96
Business Meals	\$1 425 35
Filing/Court Fees	\$2 719 00
Outside Research Services	\$205 95
Court Reporting	\$2 771 00
<b>GRAND TOTAL</b>	<b>\$81 672 38</b>

SKADDEN, ARPS SLATE, MEAGHER & FLOM LLP  
Four Times Square  
New York, New York 10036-6522  
(212) 735 3000  
J Gregory Milmo (JM 0919)  
Sally McDonald Henry (SH 0839)

Special Counsel for Genuity Inc et al ,  
Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - - x

In re

GENUITY INC et al

Debtors

- - - - - x

Chapter 11

Case No 02 43558 (PCB)

(Jointly Administered)

Affects All Debtors

**APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP FOR INTERIM COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT FOR DISBURSEMENTS  
INCURRED AS SPECIAL COUNSEL FOR THE DEBTORS FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH FEBRUARY 28, 2003**

**TO THE HONORABLE PRUDENCE CARTER BEATTY,  
UNITED STATES BANKRUPTCY JUDGE**

Skadden, Arps Slate Meagher & Flom LLP and its affiliated law practice entities (collectively "Skadden Arps") special counsel under 11 U S C § 327(e) for Genuity Inc and its subsidiaries and affiliates debtors and debtors in possession in the above captioned Chapter 11 cases (collectively the "Debtors ") submits this application (the Application ) under 11 U S C §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure seeking allowance of interim compensation for services provided as special counsel to the Debtors and for reimbursement of expenses incurred in providing such services for the period from

November 27 2002 through February 28, 2003 (the "Application Period") In support of this Application, Skadden Arps respectfully represents as follows

#### **BACKGROUND**

1 In support of this Application Skadden, Arps relies on the Affidavit of J Gregory Milmoë, sworn to on November 26 2002 (the "Milmoë Affidavit") (D I No 19), the Affidavit of Daniel Patrick O'Brien Pursuant to Local Bankruptcy Rule 1007.2 and in Support of Chapter 11 Petitions and First Day Motions, sworn to November 25 2002 (the "O'Brien Affidavit") (D I No 9) the Supplemental Affidavit of J Gregory Milmoë sworn to on December 6 2002 (the "Supplemental Milmoë Affidavit") (D I No 87) and the Declaration of Ira H Parker dated December 6, 2002 (the "Parker Declaration" (D I No 86) and collectively the "Supporting Retention Documents")

#### **A Events Leading to Chapter 11 Filings**

2 Following the events of July 24 2002 as described more fully in the O'Brien Affidavit the Debtors recognized a need to focus on various restructuring alternatives In late July of 2002, Skadden, Arps was retained to assist the Debtors to provide legal advice to the Debtors in connection with their continuing review of strategic alternatives available to them Since July 2002 Skadden Arps has performed extensive legal work for the Debtors in connection with their ongoing restructuring efforts, including negotiating standstill agreements with their principal creditors, conducting due diligence negotiating the Asset Purchase Agreement for the asset sale to Level 3 Communications Inc ("Level 3") and helping prepare the voluminous disclosure schedules related to that agreement As noted in the Milmoë Affidavit and Supplemental Milmoë Affidavit, Skadden Arps was also engaged to

and did in fact perform extensive legal work in preparing the Debtors for these cases and their roles as debtors-in possession

3 On November 27 2002 the Debtors reached a definitive agreement (the "Purchase Agreement") with Level 3 Under the Purchase Agreement which was approved by this Court on January 24 2003 Level 3 acquired the Debtors' Tier 1 network their operations and a substantial portion of the customer base for approximately \$242.2 million in cash, subject to certain purchase price adjustments and the assumption of a significant portion of liabilities in connection with the Debtors' existing long term operating agreements

#### **B The Chapter 11 Filings**

##### **The Filing and Sale to Level 3**

4 On November 27 2002 (the Petition Date ) the Debtors each filed their respective voluntary petitions for relief under Chapter 11 of title 11 of the United States Bankruptcy Code 11 U.S.C. §§ 101-1330 (as amended the "Bankruptcy Code") in this Court During these Chapter 11 cases, the Debtors have operated their respective businesses and managed their respective properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108

5 No trustee or examiner has been appointed in the Debtors' Chapter 11 cases An Official Committee of Unsecured Creditors of the Debtors (the "Creditors Committee") has been appointed in these cases

6 On the Petition Date the Debtors filed an Application for Order Under 11 U.S.C. §§ 327(a) and 329 Authorizing Employment and Retention of Skadden, Arps as Attorneys for Debtors-in-Possession (the "327(a) Application")

7        Upon review of the 327(a) Application, the Court noted concerns about Skadden, Arps' representation of Verizon Communications, Inc ("Verizon")

8        On December 6, 2002, Skadden Arps filed the Supplemental Milmoie Affidavit and the Parker Declaration with the Court in order to clarify Skadden, Arps' connections with Verizon and provide additional background on the Debtors' engagement of Skadden Arps in these matters

9        On December 9 2002 the Court indicated it believed that Skadden Arps should not serve as counsel to the Debtors under 11 U S C § 327(a) Thereafter, the Debtors sought to retain Skadden, Arps as special counsel under 11 U S C § 327(e) Therefore on December 23 2002 the Debtors filed the Debtors Application for Order Under 11 U S C §§ 327(e) and 329 And Fed R Bankr P 2014 and 2016 Authorizing Employment And Retention Of Skadden Arps Slate Meagher & Flom LLP And Affiliates As Special Counsel For Debtors in Possession Effective From the Petition Date (the "327(e) Application ")

10       On January 7 2002 this Court granted the relief sought in the 327(e) Application and entered the Order under 11 U S C §§ 327(e) and 329 and Fed R Bankr P 2014 and 2016 Authorizing Employment and Retention of Skadden, Arps Slate Meagher & Flom LLP and Affiliates as Special Counsel for the Debtors in-Possession Effective from the Petition Date (the Retention Order") In accordance with the Retention Order Skadden Arps attorneys (i) provided corporate and transactional services to the Debtors with respect to the proposed asset sale to Level 3 and (ii) as of December 9 2002 worked diligently with Ropes & Gray,

counsel for the Debtors, to assist Ropes & Gray in taking over the representation of the Debtors in bankruptcy matters in these chapter 11 cases

11 On January 24 2003, this Court approved the sale to Level 3 and authorized the Debtors to enter into the Purchase Agreement On February 4 2003, the Debtors successfully closed their sales transaction with Level 3

12 Through this application Skadden Arps seeks compensation for such services and reimbursement for expenses incurred in connection with the sale to Level 3 Additionally Skadden, Arps also seeks compensation for services performed from the Petition Date through December 8 2002 and reimbursement for expenses incurred in connection with such services as such services and expenses were necessary to ensure the uninterrupted continuation of the Debtors' businesses, and therefore assisted with the eventual transition of counsel from Skadden Arps to Ropes & Gray

**Statutory Basis for Relief**

13 This Court has jurisdiction over this Application pursuant to 28 U S C §§ 157 and 1334 Venue is proper pursuant to 28 U S C §§ 1408 and 1409 This Application is a core proceeding pursuant to 28 U S C § 157(b)(2)

14 The statutory predicates for the relief requested herein are Bankruptcy Code sections 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules")

15 This Application has been prepared in accordance with the Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals approved by the Court on January 7 2003 (the "Administrative

Order"), a copy of which is attached hereto as Exhibit B the Amended Guidelines for Fees and Disbursements of Professionals in Southern District of New York Bankruptcy Cases (the "Amended Guidelines") and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U S C § 330 (the "UST Guidelines") As required by the Local Guidelines a certification as to Skadden, Arps' compliance with the Local and UST Guidelines is contained herein The declaration required under Bankruptcy Rule 2016 (the "Bankruptcy Rule 2016 Declaration") is attached hereto as Exhibit A

#### **RETENTION OF SKADDEN, ARPS**

16 On December 23, 2002, pursuant to the 327(e) Application the Debtors applied to the Court for an order authorizing them to retain Skadden Arps as special counsel to provide the following professional services (i) corporate and transactional services with respect to the proposed asset sale to Level 3 or another purchaser and (ii) transitional services allowing for a fluid transition of primary bankruptcy representation in these cases to Ropes & Gray

17 On January 7 2003, the Court entered the Retention Order and authorized the Debtors to employ Skadden Arps as special counsel in accordance with the 327(e) Application effective as of the Petition Date A copy of the Retention Order is attached hereto as Exhibit C

#### **COMPENSATION OF SKADDEN, ARPS**

18 Pursuant to the Administrative Order the Amended Guidelines and the UST Guidelines no later than twenty days after the end of each month during the Application Period (with the exception of November which was combined with December for administrative convenience) Skadden Arps submitted a



monthly statement of fees and disbursements accrued during such month (as to each a "Monthly Statement), which Monthly Statement contained (i) a list of the professionals and paraprofessionals providing services, along with such professionals and paraprofessionals aggregate hours and respective billing rates (ii) a general description of services rendered (iii) a detailed breakdown of disbursements incurred and (iv) an explanation of Skadden, Arps billing practices<sup>1</sup> to the Debtors, the Debtors bankruptcy counsel and counsel to the Creditors' Committee Skadden Arps received no objections to such requested fees and expenses and, as indicated in the summary provided herein, has received payment for eighty percent of its requested fees and one hundred percent of its requested expenses for the Application Period

19 As required by the Administrative Order the Amended Guidelines and the UST Guidelines, through this Application Skadden Arps seeks the Court's approval of the amounts requested in the Monthly Statements for compensation for professional services rendered and reimbursement of expenses incurred in these cases during the Application Period

20 Specifically Skadden Arps submits this Application seeking an order under Bankruptcy Code sections 330 and 331 allowing (i) compensation in the amount of \$1,309,304.00 for professional services rendered by it during the Application Period as special counsel to the Debtors in these Chapter 11 cases which

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<sup>1</sup> Specifically, Skadden, Arps submitted Monthly Statements for fees and disbursements for the months of November-December, January and February. Copies of the Monthly Statements are attached hereto as Exhibits D, F, respectively. The Monthly Statements should be consulted for a detailed description of the specific services provided and expenses incurred during the Application Period by Skadden, Arps in its representation of the Debtors and are incorporated herein by reference.

amount is derived solely from the applicable hourly billing rates of the firm's personnel who rendered such services<sup>2</sup> and (ii) reimbursement of actual and necessary out-of-pocket disbursements and charges in the amount of \$81,672.38 incurred in the rendition of required professional services on behalf of the Debtors<sup>3</sup> and (iii) authorizing payment of the twenty percent holdback or \$261,860.80 of the requested fees for the Application Period.

21 Skadden, Arps has received no promise of payment for professional services rendered or to be rendered in these cases other than in accordance with the provisions of the Bankruptcy Code and Rules.

#### **BASIS FOR RELIEF**

22 Skadden Arps professionals have contributed greatly to the commencement and progress of the Debtors' Chapter 11 cases. Since its retention in July of 2002, Skadden Arps has worked closely and diligently with the Debtors in finding and consummating a restructuring transaction that would provide the best return for all parties in interest. After determining that the transaction with Level 3 was the best alternative, the Debtors and Skadden, Arps exerted extensive pre-petition and post-petition efforts to ensure that the Debtors would be able to effi

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<sup>2</sup> During the Application Period, certain of the professionals and paraprofessionals listed herein billed time to a matter specifically designated for non-working travel time. As noted in the Monthly Statements attached hereto and incorporated herein by reference, Skadden Arps voluntarily reduced the amounts requested for non-working travel time by fifty percent, which reduction is reflected in the hourly billing rates of those professionals and paraprofessionals billing time to that matter.

<sup>3</sup> Charges and disbursements are invoiced pursuant to Skadden Arps' Policy Statement Concerning Charges and Disbursements Under Standard Bundled Rate Structure, a copy of which is attached to the affidavit submitted in support of the Retention Motion.

ciently consummate the sale to Level 3. The filing of these cases and the subsequent sale to Level 3 is the result of these efforts. Consequently, Skadden, Arps submits that its representation of and legal services and advice provided to the Debtors throughout the Application Period were necessary and beneficial to the Debtors, their creditors and estates.

23 During the Application Period, professionals of Skadden, Arps devoted a total of 4091.00 hours to representation of the Debtors in their Chapter 11 cases. Of the aggregate time expended, approximately 672.70 hours were spent by partners, 41.20 hours were spent by counsel, 2187.60 hours were spent by associates and 1189.50 hours were spent by paraprofessionals. The summary chart provided at the beginning of this Application reflects the name, position, year of admission (as appropriate), hourly billing rate and number of hours worked by each Skadden, Arps professional during the Application Period. As summarized by the chart at the beginning of this Application, these professionals billed their services in these cases to numerous matters covering discrete activities. The Monthly Applications should be consulted for a detailed description of the services rendered by Skadden, Arps during the Application Period and are incorporated herein by reference.

#### **DESCRIPTION OF SERVICES RENDERED**

24 It is not possible within the confines of this Application to describe in detail the many issues, conferences, telephone conversations, negotiations and other matters that occupied Skadden, Arps professionals' time in the Debtors' cases during the Application Period. The following description of the firm's services, therefore, is merely a summary of the matters that occupied the most substantial amounts of professional time during the Application Period. Additional matters on

which Skadden, Arps professionals worked are described in the daily time details of each professional copies of which are attached to the Monthly Statements

**A Corporate, Sales Related and Transactional Matters  
(Amount Sought \$911,526 50)**

25 The key accomplishment of Skadden Arps during the Application Period was spearheading the legal effort to close the complex and critical sale transaction with Level 3 Pursuant to this transaction Level 3 agreed to pay over \$240 million (subject to certain adjustments) for substantially all of the Debtors assets, and to ensure that the Debtors total rejection damage claims did not exceed \$600 million The transfer of the assets and the assumption and rejection of contracts was be accomplished through a series of complex procedures with all such procedures subject to approval by the Court To this end Skadden Arps professionals worked with the Debtors and the Debtors' other professionals on preliminary matters related to the sale transaction, such as the preparation of due diligence term sheets and confidentiality agreements for potential bidders and applications for necessary governmental approval of the proposed transaction As the sale process intensified Skadden Arps professionals spent substantial time working with the Debtors and the Debtors' other professionals to negotiate confidentiality agreements with potential bidders, facilitate the due diligence review by such potential bidders through the maintenance of a data room and review and evaluate term sheets and other sale proposals received with respect to the sale transaction Additionally Skadden Arps professionals spent extensive time negotiating with the Debtors Level 3 and the Debtors' primary creditor constituencies including the Creditors Committee with

respect to improving the economic and non economic terms of the proposed sale transaction

26 Throughout the Application Period Skadden Arps professionals also assisted the Debtors' bankruptcy counsel Ropes & Gray with transitional matters related to the sale transaction, including the development of strategy with respect to the timing and economic consequences of the sale, preparations for hearings related to the sale, negotiations with key parties with respect to the bankruptcy aspects of the transaction, and preparations with respect to and assistance in complying with the extensive noticing process required by the sale motion and the Bankruptcy Code and Rules

27 As a result of the efforts of Skadden Arps and the Debtors other professionals the Debtors received Court approval of the sale transaction on January 24, 2003, less than two months after the filing of these cases and closed the sale transaction on February 4, 2003

28 During the Application Period Skadden Arps professionals devoted a total of 2946 20 hours to corporate and transactional matters for which compensation in the amount of \$911 526 50 is sought

**B Transitional Matters  
(Amount Sought \$397,777 50)**

29 Throughout the Application Period Skadden Arps professionals worked diligently to assist Ropes & Gray as it transitioned its role from special counsel to bankruptcy counsel To this end during the interim period from the Petition Date to December 9, 2002, Skadden Arps professionals worked with the Debtors to ensure that the effects of the bankruptcy filing on the Debtors businesses

were minimal including obtaining the Court's authorization regarding certain necessary "first-day" relief with respect to employees customers utilities taxing authorities and critical vendors. Additionally Skadden, Arps professionals provided both off and on site support to the Debtors to assist with the dissemination of information to and to address employee customer and vendor concerns. Finally, Skadden Arps professionals provided advice to the Debtors with respect to and coordinated the Debtors compliance with their obligations under the Bankruptcy Code and Rules. These efforts were essential to ensure the uninterrupted continuation of the Debtors' businesses and greatly assisted in the eventual transition of counsel to Ropes & Gray.

30 Following Ropes & Gray's formal retention in early December 2002, Skadden, Arps professionals assisted the Debtors and Ropes & Gray with transitional matters including facilitating the transferral of Skadden Arps professionals documentary and institutional knowledge of the Debtors to Ropes & Gray through the delivery of documents and participation in necessary on site and telephonic conferences. As part of this process Skadden Arps assisted Ropes & Gray with preparations for the various hearings scheduled before the Court related to the sale transaction and other transitional matters and responded to and forwarded correspondence and questions of parties-in-interest relating to these cases to Ropes & Gray.

31 During the Application Period Skadden Arps professionals devoted a total of 1144.80 hours to transitional matters for which compensation in the amount of \$397,777.50 is sought.

## ALLOWANCE OF COMPENSATION

32 Bankruptcy Code section 331 provides for interim compensation of professionals and incorporates the substantive standard of section 330 to govern the Court's award of such compensation. See 11 U.S.C. § 331. Bankruptcy Code section 330 provides that a court may award a professional employed under Bankruptcy Code section 327 "reasonable compensation for actual necessary services rendered and reimbursement for actual necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, extent, and the value of such services, taking into account all relevant factors, including

- (A) the time spent on such services,
- (B) the rates charged for such services,
- (C) whether the services were necessary to the administration of or beneficial at the time at which the services were rendered toward the completing of a case under this title,
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed, and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3)

33     **Standing at the Bar and Experience**   The partners in charge of Skadden, Arps engagement are Kent A. Coit, Sally McDonald Henry and J. Gregory Milmo. Mr. Coit is a member in Skadden Arps' mergers and acquisition and corporate finance department and has extensive experience with complex corporate transactions. Throughout his more than twenty years of experience, Mr. Coit has advised clients in connection with negotiated and hostile acquisitions, public and private financings, spin offs, recapitalizations, joint ventures, licensing agreements and transactions involving Chapter 11 restructurings.

34     Ms. Henry and Mr. Milmo are members of Skadden, Arps' corporate restructuring department and have extensive experience in providing restructuring advice to troubled companies. Together, Ms. Henry and Mr. Milmo have more than twenty years of experience representing debtors, creditors, committees, investment bankers and accountants in reorganization and bankruptcy ancillary cases, as well as out of court restructurings and corporate transactions. Collectively, Mr. Coit, Ms. Henry and Mr. Milmo supervised and coordinated the daily activities of the Skadden, Arps professionals working on these cases, while also providing crucial advice and support to the Debtors on matters for which Skadden, Arps was retained.

35     Skadden, Arps achieved cost efficiencies during the Application Period by employing a streamlined case management structure. Instead of assigning various attorneys to the myriad of tasks that arose during the case, Skadden, Arps identified a core group of counsel and associates who were assigned responsibility for specific matters and types of matters. This allowed (i) certain attorneys to work almost exclusively on certain discrete matters in the Debtors' cases



(ii) Skadden, Arps to staff the case with as little partner involvement as possible and

(iii) Skadden, Arps to avoid the performance of duplicative or unnecessary work

36     **Compensation Sought** Skadden Arps respectfully submits that the professional services for which it seeks compensation in these cases were reasonable, necessary for and beneficial to the Debtors' reorganization efforts, and in the best interest of the Debtors' estates. Because of the benefits realized by the Debtors, the nature of these cases, the standing at the bar of the professionals who rendered services, the amount of work done, the time consumed, the skill required, and the contingent nature of the compensation, Skadden Arps requests that it be allowed compensation for professional services rendered during the Application Period in the sum of \$1,309,304.00.

37     **Reimbursement of Expenses** During the Application Period, Skadden, Arps has incurred in the rendition of professional services in these cases and requests reimbursement for sums for actual and necessary expenses totaling \$81,672.38. Skadden, Arps' actual and necessary expenses for the Application Period are summarized at the front of this Application and described in detail in the Monthly Applications.<sup>4</sup>

38     Skadden Arps reserves the right to seek such amounts for work performed during the Application Period but not yet reflected in the firm's time records because of customary delays or to amend the amounts listed herein to correct

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<sup>4</sup> Skadden Arps' request for reimbursement of actual and necessary expenses includes charges for internal copying at the rate of \$ 10 per page. While Skadden, Arps does not seek reimbursement from the Debtors for facsimile transmissions, it does seek reimbursement for the telecommunication charges incurred in the process of sending facsimile transmissions.

any inadvertent bookkeeping errors. In the event that a subsequent review reveals that additional professional services have been rendered or expenses have been incurred on behalf of the Debtors during the Application Period, which were not processed by the firm's computer system in advance of this Application, Skadden Arps, further reserves the right to seek such additional fees and expenses by subsequent application to the Court.<sup>5</sup>

39 Other than between Skadden, Arps and its affiliated law practices and their members, no agreement or understanding exists between Skadden Arps and any other person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases nor will any be made except as permitted under Bankruptcy Code section 504(b)(1).

#### MEMORANDUM OF LAW

40 Skadden Arps submits that no new or novel issue of law is presented with respect to the matters contained herein. Because the relevant authorities in support of the requested relief are cited in this Motion, Skadden Arps' respectfully requests that the requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied.

41 As certified below, notice of this Application has been provided to the Debtors, the Debtors' bankruptcy counsel, the United States Trustee and the Creditors' Committee. Skadden Arps submits that given its compliance with the Administrative Order and the Local and UST Guidelines, no other or further notice need be given.

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<sup>5</sup> Skadden Arps further reserves the right to request additional compensation at a later date for time spent preparing Monthly Statements and interim and final fee applications.

### **CERTIFICATION OF APPLICANT**

The undersigned representative of Skadden, Arps has read this Application and certifies that to the best of the undersigned's knowledge, information and belief, formed after reasonable inquiry and except as otherwise provided herein, (i) the fees and disbursements sought in this Application fall within the Amended Guidelines and the UST Guidelines, (ii) the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by Skadden, Arps and generally accepted by Skadden, Arps bankruptcy clients and (iii) in providing a reimbursable service Skadden Arps does not make a profit on that service, regardless of whether the service is performed by Skadden, Arps in house or through a third-party vendor To the extent that the Application does not comply in all respects with the requirements of the Administrative Order the Amended Guidelines or the UST Guidelines, Skadden Arps believes such deviations are not material and respectfully requests that any such requirement(s) be waived

### **CERTIFICATION OF NOTICE**

The undersigned representative of Skadden, Arps hereby certifies that the undersigned caused the Monthly Statements to be served upon the Debtors the Debtors bankruptcy counsel, Ropes & Gray the United States Trustee and counsel to the Creditors Committee, no later than twenty days after the end of each month during the Application Period (with the exception of the four days of November which were combined with December for administrative convenience) The undersigned representative of Skadden, Arps further certifies that the undersigned caused this Application to be served on the following parties by overnight courier on or before ten days prior to the date set as the deadline for the filing of this Application

- 1 Steven N Avruch Esq Genuity Estate 235 Presidential Way  
Woburn, Massachusetts 01801,
- 2 Erin T Fontana, Esq , Ropes & Gray, One International Place,  
Boston, Massachusetts 02110-2624,
- 3 Brian Masumoto Esq , Office of the United States Trustee 33  
Whitehall Street, 21st Floor, New York New York 10004,
- 4 Mary Ellen Egbert JPMorgan Chase Bank 270 Park Avenue 20<sup>th</sup>  
Floor, New York, New York 10017
- 5 David M Feldman Esq , Kramer, Leven Naftalis & Franklin LLP,  
919 Third Avenue, New York New York 10022

WHEREFORE, Skadden Arps respectfully requests that the Court (a) approve the requested compensation for professional services rendered as attorneys for the Debtors during the Application Period in the amount of \$1 309 304 00 including authorizing the payment of the twenty percent holdback in the amount of \$261,860 80, without prejudice to the firm's rights to seek further and/or final allowance of compensation, (b) approve the requested reimbursement of actual and necessary charges and disbursements incurred during the Application Period in the amount of \$81,672 38 and (c) grant Skadden Arps such other and further relief as is just and proper

Dated New York New York  
April 17 2003

SKADDEN, ARPS, SLATE MEAGHER  
& FLOM LLP



---

J. Gregory Milmoe (JM 0919)  
(A Member of the Firm)  
Sally McDonald Henry (SH 0839)  
Four Times Square  
New York New York 10036  
(212) 735 3000

Special Counsel for Debtors and  
Debtors in Possession

**INDEX OF EXHIBITS**

Exhibit A	Bankruptcy Rule 2016 Declaration
Exhibit B	Administrative Order
Exhibit C	Retention Order
Exhibit D	Monthly Statement for November 27, 2002 through December 31 2002
Exhibit E	Monthly Statement for January 1 2003 through January 31 2003
Exhibit F	Monthly Statement for February 1, 2003 through February 28 2003

EXHIBIT A

SKADDEN, ARPS, SLATE MEAGHER & FLOM LLP  
Four Times Square  
New York, New York 10036 6522  
(212) 735 3000  
J Gregory Milmoie (JM 0919)  
Sally McDonald Henry (SH 0839)

Special Counsel for Genuity Inc et al ,  
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

----- x

In re

GENUITY INC et al ,

Debtors

----- x

Chapter 11

Case No 02 43558 (PCB)

(Jointly Administered)

Affects All Debtors

**DECLARATION OF J GREGORY MILMOE UNDER FED R. BANKR P 2016<sup>1</sup>**

I, J GREGORY MILMOE, declare as follows

1 I am a member of the firm of Skadden Arps Slate Meagher & Flom LLP ("Skadden Arps") which maintains an office for the practice of law at Four Times Square New York New York 10036 6522

2 Skadden, Arps has acted as special counsel for and rendered professional services in this case to, Genuity Inc and its subsidiaries and affiliates

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<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Application



debtors and debtors-in possession in the above-captioned Chapter 11 cases (collectively, the Debtors") I submit this declaration in support of the Application of Skadden Arps Slate Meagher & Flom LLP for Interim Compensation for Professional Services Rendered and Reimbursement for Disbursements Incurred as Counsel for the Debtors for the Period from November 27, 2002 through February 28, 2003 dated April 17, 2003 (the Application") submitted under 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure

3 The compensation sought in the Application is based in part on Skadden, Arps guideline hourly rates which are periodically adjusted in the normal course of the firm's business often due to the increased experience of a particular professional. Skadden, Arps and the Debtors have agreed that Skadden, Arps bundled rate structure will apply to these cases and therefore Skadden, Arps will not be seeking to be separately compensated for certain staff, clerical, and resource charges for which it normally charges.

4 Other than between Skadden, Arps and its affiliated law practices and their members, no agreement or understanding exists between Skadden, Arps and any other person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with

these cases, nor will any be made except as permitted under Bankruptcy Code section 504(b)(1)

5 Skadden, Arps has submitted monthly statements of fees and disbursements (the "Monthly Statements") accrued during the Application Period for the months of November-December, January and February. Copies of the Monthly Statements are attached to the Application as Exhibits D-F respectively. Skadden Arps received no objections to the fees and expenses requested in the Monthly Statements, and, in accordance with the Administrative Order, the Amended Guidelines and the UST Guidelines, has received payment for eighty percent (80%) of its requested fees, totaling \$1,047,443.20 and one-hundred percent (100%) of its requested expenses, totaling \$81,672.38 for the Application Period. This is the first interim application that Skadden Arps has filed in these Chapter 11 cases.

I declare under the penalty of perjury that the foregoing is true and

correct

Dated New York New York  
April 17, 2003

SKADDEN ARPS SLATE MEAGHER  
& FLOM LLP



J. Gregory Milane (JM 0919)  
(A Member of the Firm)  
Four Times Square  
New York, New York 10036  
(212) 735-3000

Special Counsel for Debtors and  
Debtors in Possession

EXHIBIT B

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

In re	)	Chapter 11
GENUITY INC et al	)	Case No 02-43558 (PCB)
Debtors	)	Jointly Administered

**ADMINISTRATIVE ORDER, PURSUANT TO SECTIONS 105(a) AND 331  
OF THE BANKRUPTCY CODE ESTABLISHING PROCEDURES  
FOR INTERIM COMPENSATION AND REIMBURSEMENT  
OF EXPENSES OF PROFESSIONALS**

Upon consideration of the Motion for Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated December 23 2002 (the Motion )<sup>1</sup> of the above captioned debtors and debtors in possession (collectively the "Debtors") for entry of an order pursuant to sections 105(a) and 331 of the Bankruptcy Code establishing procedures for interim compensation and reimbursement of expenses of professionals as more fully set forth in the Motion and it appearing that the Court has jurisdiction to consider the Motion and it appearing that the relief requested in the Motion is in the best interests of the Debtors their estates and creditors and it appearing that due and proper notice of the Motion has been given and no other or further notice is necessary and upon the record in these cases and after due deliberation thereon and good and sufficient cause appearing therefor

IT IS HEREBY ORDERED THAT

<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Motion

1       The Motion is GRANTED

2       Except as otherwise provided in Court orders authorizing the retention of specific professionals, all professionals in this case may seek interim compensation in accordance with the following procedure

- i       On or before the twentieth (20th) day of each month following the month for which compensation is sought each professional seeking compensation other than a professional retained as an ordinary course professional will serve a monthly statement by hand or overnight delivery on (i) Steven N Avruch Esq the officer designated by the Debtors to be responsible for such matters, (ii) Don S DeAmicis counsel for the Debtors (iii) the Office of the United States Trustee and (iv) David Feldman, counsel for the Official Committee of Unsecured Creditors and (v) counsel to any other statutory committee appointed in these Chapter 11 cases
- ii       The monthly statement need not be filed with the Court and a courtesy copy need not be delivered to the presiding judge s chambers since this Motion is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code and since professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Code the Federal Rules of Bankruptcy Procedure and the Local Rules for the United States Bankruptcy Court for the Southern District of New York
- iii       Each monthly fee statement must contain a list of the individuals and their respective titles (e g attorney accountant or paralegal) who provided services during the statement period their respective billing rates, the aggregate hours spent by each individual a reasonably detailed breakdown of the disbursements incurred (no professional should seek reimbursement of an expense which would otherwise not be allowed pursuant to the Court s Administrative Orders dated June 24 1991 and April 21 1995 or the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U S C § 330 dated January 30 1996) and contemporaneously maintained time entries for each individual in increments of tenths (1/10) of an hour

- iv Each person receiving a statement will have at least fifteen (15) days after service to review such statement and in the event that he or she has an objection to the compensation or reimbursement sought in a particular statement he or she shall by no later than the thirty fifth (35th) day following the month for which compensation is sought serve upon the professional whose statement is objected to and the other persons designated to receive statements in paragraph (a) a written 'Notice Of Objection To Fee Statement' setting forth the nature of the objection and the amount of fees or expenses at issue
- v At the expiration of the thirty five (35) day period, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified in each monthly statement to which no objection has been served in accordance with paragraph (iv)
- vi If the Debtors receive an objection to a particular fee statement they shall withhold payment of that portion of the fee statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (v)
- vii If the parties to an objection are able to resolve their dispute following the service of a Notice Of Objection To Fee Statement and if the party whose statement was objected to serves on all of the parties listed in paragraph (i) a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution then the Debtors shall promptly pay in accordance with paragraph (vi) that portion of the fee statement which is no longer subject to an objection
- viii All objections that are not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be heard by the Court (See paragraph (x) below)
- ix The service of an objection in accordance with paragraph (iv) shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not Furthermore the decision by any party not to object to a fee statement shall not be a waiver of any kind or prejudice that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code

- x Approximately every 120 days but no more than every 150 days each of the professionals shall serve and file with the Court an application for interim or final Court approval and allowance pursuant to sections 330 and 331 of the Bankruptcy Code (as the case may be) of the compensation and reimbursement of expenses requested
- x1 Any professional who fails to file an application seeking approval of compensation and expenses previously paid under this motion when due shall (1) be ineligible to receive further monthly payments of fees or expenses as provided herein until further order of the Court and (2) may be required to disgorge any fees paid since retention or the last fee application whichever is later
- x11 The pendency of an application or a Court order that payment of compensation or reimbursement of expenses was improper as to a particular statement shall not disqualify a professional from the future payment of compensation or reimbursement of expenses as set forth above unless otherwise ordered by the Court,
- x111 Neither the payment of nor the failure to pay in whole or in part monthly compensation and reimbursement as provided herein shall have any effect on this Court's interim or final allowance of compensation and reimbursement of expenses of any professionals and
- x14 Counsel for any official committee may in accordance with the foregoing procedure for monthly compensation and reimbursement of professionals collect and submit statements of expenses with supporting vouchers from members of the committee he or she represents provided however that such committee counsel ensures that these reimbursement requests comply with the Court's Administrative Orders dated June 24 1991 and April 21 1995

3 Each member of the Creditors Committee in this case is permitted to submit statements of expenses and supporting vouchers to counsel (and co counsel if appointed) for the Creditors Committee who will collect and submit such requests for reimbursement in accordance with the foregoing procedures for monthly and interim compensation and reimbursement of professionals



4        Sending notice of hearing to consider interim applications to (i) the Office of the United States Trustee, (ii) counsel for the Creditors' Committee and (iii) all parties having filed a notice of appearance and request for notices under Rule 2002 of the Federal Rules of Bankruptcy Procedure shall be good and sufficient notice

Dated    New York    New York  
          January 7 2003

*/s/ Prudence Carter Beatty*

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The Honorable Prudence C Beatty  
United States Bankruptcy Judge

EXHIBIT C

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

----- x Chapter 11  
In re Case No 02-43558 (PCB)  
GENUITY INC , et al , (Jointly Administered)  
Debtors Affects All Debtors

----- x  
**ORDER UNDER 11 U S C §§ 327(e) AND 329 AND FED R  
BANKR. P 2014 AND 2016 AUTHORIZING EMPLOYMENT AND  
RETENTION OF SKADDEN, ARPS SLATE, MEAGHER & FLOM LLP  
AND AFFILIATES AS SPECIAL COUNSEL FOR DEBTORS IN-POSSES-  
SION EFFECTIVE FROM THE PETITION DATE**

Upon the application dated December 18 2002 (the Application )<sup>1</sup>  
of Genuity Inc ("Genuity ") and certain of its subsidiaries (the Subsidiary Debtors")  
debtors and debtors in-possession in the above captioned cases (collectively the  
Debtors ) for entry of an order under 11 U S C §§ 327(e) and 329 and Fed R  
Bankr P 2014 and 2016 authorizing the employment and retention of Skadden  
Arps Slate Meagher & Flom LLP and its affiliated law practice entities (collec  
tively Skadden Arps") as special counsel for the Debtors and the Court having  
reviewed the Application the O'Brien Affidavit the Milmoie Affidavit the Parker  
Declaration and the Supplemental Milmoie Affidavit (together the Affidavits") and

<sup>1</sup> Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed to them in the Application

the Court being satisfied with the representations made in the Application and the Affidavits that Skadden Arps represents no interest adverse to the estates with respect to the matters on which Skadden, Arps is to be employed that its employment as provided for herein is necessary and in the best interests of the Debtors' estates creditors and other parties in interest and it appearing that notice of the Application was good and sufficient under the particular circumstances and that no other or further notice need be given and upon the record herein, and after due deliberation thereon and good and sufficient cause appearing therefor it is hereby

**ORDERED, ADJUDGED AND DECREED THAT**

- 1 The Application is GRANTED
- 2 The Debtors as debtors and debtors in possession are authorized to employ and retain Skadden Arps under Bankruptcy Code sections 327(e) and 329 as their attorneys as of the commencement of these cases to perform the services set forth herein
- 3 Scope of Special Counsel Services Skadden Arps will continue to provide corporate and transactional services with respect to the proposed asset sale to Level 3 and any alternative bids Skadden Arps will not however be representing the Debtors before the Court or handling bankruptcy matters (except to assist with transitional matters and except as related to the aforesaid corporate and

transactional services) or any matters relating to Verizon or its subsidiaries. The services to be provided by Skadden Arps include advice with respect to the Asset Purchase Agreement (including negotiating and documenting any waivers or amendments of any provisions thereof) negotiating and advising the Debtors with respect to alternative bids and agreements related thereto and all other corporate and transactional services related to or in connection with the transactions contemplated by the Asset Purchase Agreement or any alternative asset purchase agreements.

4 Although Ropes & Gray will now be responsible for the Debtors bankruptcy matters, Skadden Arps will continue to work on a number of transitional issues that will be required to assist Ropes & Gray in taking over the representation of the Debtors in bankruptcy matters. This transitional work will include coordinating projects underway with the goal of a fluid transition, informing Ropes & Gray and Genuity Group employees of the status of numerous matters and contacts from parties in interest, and assisting with and helping to coordinate the notices required to complete the Level 3 transaction (or any alternative transaction).

5 Skadden Arps shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of the United States Bankruptcy Court for the Southern District of New York, the United States Trustee Fee Guidelines, and any orders entered in these cases.

governing professional compensation and reimbursement for services rendered and charges and disbursements incurred

6 Skadden Arps is authorized to apply the amounts presently held as a retainer to pay any fees charges and disbursements relating to services rendered to the Debtors before the Petition Date that remain unpaid as of such date

7 The requirement under Local Bankr R 9013 1(b) for the service and filing of a separate memorandum of law is deemed satisfied by the Application

Dated New York New York  
January 7 2003

/s/ Prudence Carter Beatty

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Prudence Carter Beatty  
United States Bankruptcy Judge

EXHIBIT D

SKADDEN ARPS SLATE MEAGHER & FLOM LLP  
Four Times Square  
New York New York 10036 6522  
(212) 735-3000  
J Gregory Milmoie (JM 0919)  
Sally McDonald Henry (SH 0839)

Special Counsel for Genuity Inc et al  
Debtors and Debtors-in Possession

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

----- x  
In re Chapter 11  
GENUITY INC et al Case No 02-43558 (PCB)  
Debtors (Jointly Administered)  
Affects All Debtors

----- x  
STATEMENT OF SKADDEN ARPS SLATE MEAGHER & FLOM LLP  
OF FEES FOR PROFESSIONAL SERVICES RENDERED AND  
DISBURSEMENTS INCURRED AS COUNSEL FOR THE DEBTORS FOR  
THE PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 31, 2002

INTRODUCTION

Skadden Arps Slate Meagher & Flom LLP ( ' Skadden Arps ) special  
counsel for Genuity Inc ("Genuity' or the Company") and certain of its subsidiaries (the  
Subsidiary Debtors ) debtors and debtors in possession in the above captioned cases  
(collectively the Debtors") hereby submits this statement of fees and disbursements  
(the "Fee Statement") for the period from November 27 2002 through December 31



2002 (the Fee Period )<sup>1</sup> in accordance with the Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals approved January 7 2003 (the Administrative Order") the Amended Guidelines for Fees and Disbursements of Professionals in Southern District of New York Bankruptcy Cases (the Amended Guidelines ) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U S C § 330 (the UST Guidelines")<sup>2</sup> The monthly statement for the Fee Period is attached hereto as Exhibit A

### PROFESSIONAL SERVICES

For professional services Skadden Arps fees are based in part on its guideline hourly rates which are periodically adjusted in the normal course of the firm's

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1

Skadden Arps reserves the right to amend the amounts listed in this Fee Statement in the event that a subsequent review of its books and records reveals that additional professional services were rendered or expenses were incurred on behalf of the Company during the Fee Period which services or expenses were not processed by the firm's accounting system before this Fee Statement was prepared In addition Skadden Arps reserves the right to seek such additional fees or expenses in subsequent Fee Statements or applications

2

Skadden Arps has voluntarily reduced the amount of fees requested during the Fee Period by \$66 672 75 including a client accommodation of \$14 747 75 representing a fifty-percent (50%) reduction in the amounts requested for non working travel time With the exception of the descriptions related to non working travel time the detailed descriptions of services rendered with respect to such reduced fees have been removed from Exhibit C attached hereto To the extent that a party objects to this Fee Statement Skadden Arps reserves the right to recapture such accommodation and seek up to the full amount of fees actually incurred in connection with this Fee Period

business often due to the increased experience of a particular professional Skadden Arps and the Debtors have agreed that Skadden Arps bundled rate structure will apply to these cases and therefore Skadden Arps will not be seeking to be separately compensated for certain staff clerical and resource charges for which it normally charges The rates set forth below are the guideline hourly professional and paraprofessional fee rates used in the bundled rate structure

**TIME SUMMARY TO MONTHLY STATEMENT OF  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 31, 2002**

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<b><u>PARTNERS</u></b>				
Kent A Cott	1982	\$655 00	54 10	\$35 435 50
Eric M Davis	1992	\$520 00	130 40	\$63 596 00
Sally McDonald Henry	1983	\$625 00	123 50	\$76 093 75
J Gregory Milmoie	1976	\$725 00	76 40	\$55 390 00
<b>TOTAL PARTNERS</b>			<b>384 40</b>	<b>\$230,515 25</b>
<b><u>COUNSEL</u></b>				
Brian C Mohr	1980	\$485 00	31 10	\$15 083 50
<b>TOTAL COUNSEL</b>			<b>31 10</b>	<b>\$15,083 50</b>
<b><u>ASSOCIATES</u></b>				
Kris Agarwal	Pending	\$240 00	50 50	\$12 120 00
David E Barrett	2002	\$295 00	65 00	\$19 175 00
Theresa V Brown Edwards	1998	\$395 00	3 20	\$1 264 00
Ross E Cohen	Pending	\$240 00	27 50	\$6 300 00
Yael Dar	2000	\$335 00	88 80	\$29,748 00

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Anthony Decicco	Pending	\$240 00	16 70	\$3 852.00
John G Derderian	Pending	\$240 00	43 30	\$9 384 00
Laura Engelhardt	2001	\$335 00	185 00	\$61 774 00
Jarett Epstein	Pending	\$240 00	56 50	\$13 560 00
Mordecai L. Geisler	Pending	\$240 00	18 60	\$4 464 00
Cheri L Hoff	1993	\$455 00	138 10	\$60 606 00
David R Hurst	1998	\$395 00	109 10	\$39 500 00
Harry L Hutchinson Jr	Pending	\$240 00	47 90	\$11 496 00
Daniel T Janis	Pending	\$240 00	73 10	\$16 800 00
Ivy Johnson	2002	\$295 00	21 70	\$6 401 50
William J Lundregan	1996	\$455 00	45 60	\$20 748 00
Patricia A Widdoss	1998	\$395 00	30 60	\$12,087 00
<b>TOTAL ASSOCIATES</b>			<b>1,021 20</b>	<b>\$329,279.50</b>
<b><u>PARAPROFESSIONALS</u></b>				
David Grimm	N/A	\$110 00	17 20	\$1 892 00
David C Kaicher	N/A	\$130 00	102 40	\$12 103 00
Helen B Kaplan	N/A	\$130 00	7 00	\$910 00
Michael L Kremer	N/A	\$110 00	116 70	\$12 837 00
Daniel A Mayer	N/A	\$130 00	6 00	\$780 00
Timothy G Murphy	N/A	\$130 00	7 00	\$910 00
Joseph J Roman	N/A	\$80 00	10 00	\$800 00
Samuel R Rowley	N/A	\$130 00	26 40	\$3 432 00
James A Salkind	N/A	\$130 00	7 00	\$910 00
<b>TOTAL PARAPROFESSIONALS</b>			<b>299 70</b>	<b>\$34,574 00</b>
<b>TOTAL</b>			<b>1,736 40</b>	<b>\$609,452.25</b>
<b>BLENDED HOURLY RATE</b>				<b>\$351</b>

A time summary of charges attributable to aforementioned professionals and paraprofessionals for each time matter and a complete itemization of tasks performed by such professionals and paraprofessionals during the Fee Period are attached hereto as Exhibits B and C respectively

#### DISBURSEMENTS

Consistent with its agreement with the Debtors and firm policy with respect to its other bankruptcy clients Skadden Arps will continue to charge the Debtors for all other services provided and for other charges expenses and disbursements incurred in the rendition of professional services These charges expenses and disbursements include among other things costs for telephone charges photocopying travel business meals computerized research messengers couriers postage witness fees and other fees related to trials and hearings<sup>3</sup>

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3

Charges and disbursements are invoiced pursuant to Skadden Arps Policy Statement Concerning Charges and Disbursements Under Standard Bundled Rate Structure a copy of which is attached to the Engagement Agreement submitted with the Milmoie Affidavit

**DISBURSEMENTS TO MONTHLY STATEMENT OF  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP FOR THE  
PERIOD FROM NOVEMBER 27, 2002 THROUGH DECEMBER 31, 2002<sup>4</sup>**

Computer Legal Research	\$1 467 10
In House Reproduction (@ \$ 10 per page)	\$12 888 30
Outside Reproduction and Binding	\$4 867 31
Postage Courier and Express Carriers (e g Federal Express)	\$2 790 96
Long Distance Telecommunications	\$1 871 01
Business Travel and Lodging	\$7 311 43
Business Meals	\$585 19
Filing and Court Fees	\$75 00
Outside Research Services	\$51 08
Court Reporting	<u>\$570 00</u>
<b>TOTAL</b>	<b>\$32,477 38</b>

A complete itemization of disbursements for the Fee Period is attached hereto as

Exhibit D

**BRIEF DESCRIPTION OF SERVICES RENDERED**

In accordance with the Order under 11 U S C §§ 327(e) and 329 and Fed R Bankr P 2014 and 2016 Authorizing Employment and Retention of Skadden Arps Slate Meagher & Flom LLP and Affiliates as Special Counsel for the Debtors in Possession Effective from the Petition Date approved on January 7 2003 during the Fee Period Skadden Arps attorneys (i) provided corporate and transactional services to the

---

4

The disbursements expenses and charges reflected in this Fee Statement represent only those that have been booked at the end of this billing period Due to normal bookkeeping procedures many charges and disbursements are not recorded contemporaneously with the provided service Skadden Arps reserves the right to apply for reimbursement of such disbursement expenses and charges in subsequent Fee Statements or applications

Debtors with respect to the proposed asset sale to Level 3 and (ii) as of December 9 2002 worked diligently with Ropes & Gray counsel for the Debtors, to assist Ropes & Gray in taking over the representation of the Debtors in bankruptcy matters in these chapter 11 cases. Through this Fee Statement Skadden Arps seeks compensation for such services and reimbursement for expenses incurred in connection with such services. Additionally Skadden Arps also seeks compensation for services performed from the Petition Date through December 8 2002 and reimbursement for expenses incurred in connection with such services as such services and expenses were necessary to ensure the uninterrupted continuation of the Debtors businesses and therefore assisted with the eventual transition of counsel from Skadden Arps to Ropes & Gray.

#### **CERTIFICATION OF APPLICANT**

The undersigned representative of Skadden Arps has read this Fee Statement and certifies that to the best of the undersigned's knowledge information and belief formed after reasonable inquiry and except as otherwise provided herein (i) the fees and disbursements sought in this Fee Statement fall within the Amended Guidelines and the UST Guidelines (ii) the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by Skadden Arps and generally accepted by Skadden Arps' bankruptcy clients and (iii) in providing a reimbursable service Skadden Arps does not make a profit on that service regardless of whether the service is performed by Skadden Arps in house or through a third party vendor. To the extent that the Fee Statement does not comply in all respects

with the requirements of the Administrative Order the Amended Guidelines or the UST Guidelines Skadden Arps believes such deviations are not material and respectfully requests that any such requirement(s) be waived

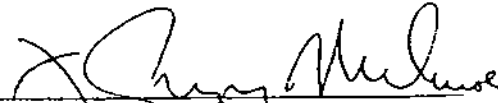
#### **CERTIFICATION OF NOTICE**

The undersigned representative of Skadden Arps hereby certifies that the undersigned caused this Fee Statement to be served on the following parties by first class mail on or before the 20<sup>th</sup> business day of the month following the month(s) comprising the Fee Period

- 1 Steven N Avruch Esq Genuity Inc 225 Presidential Way Woburn Massachusetts 01801
- 2 Don S DeAmicis Esq Ropes & Gray One International Place Boston Massachusetts 02110 2624
- 3 Brian Masumoto Esq Office of the United States Trustee 33 Whitehall Street 21st Floor New York New York 10004 and
- 4 David M Feldman Esq Kramer Leven Naftalis & Franklin LLP 919 Third Avenue New York New York 10022

Dated New York, New York  
January 20, 2003

SKADDEN ARPS, SLATE, MEAGHER  
& FLOM LLP



J. Gregory Milmoe (DM 0919)  
(A Member of the Firm)  
Sally McDonald Henry (SH 0839)  
Four Times Square  
New York New York 10036  
(212) 735 3000

Special Counsel for Debtors and  
Debtors in Possession



Exhibit A

January 8 2003  
Bill No 948614

Genuity Inc (DIP)  
225 Presidential Way  
Woburn Massachusetts 01888

TO SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
FOUR TIMES SQUARE  
NEW YORK 10036-6522

TAXPAYER  
IDENTIFICATION NUMBER  
13 177230

Invoice # 948614

Re Corporate Advice, Financing and Special Projects

TO PROFESSIONAL SERVICES RENDERED  
through December 31 2002 in  
connection with various matters

For Asset Dispositions	\$ 284 372 75
Less Fee Accommodation	( 19,984 25)
	264 388 50

Charges and Disbursements

Courier Express	
Delivery and Postage	\$ 431 13
Telecommunications	159 99
Reproduction and Document Preparation	1 273 20
Travel Expenses	1 240 97
Total Disbursements	<u>3,105 29</u>
	\$ 267 493 79

PAYMENT DUE UPON RECEIPT  
PLEASE WIRE PAYMENT IN US DOLLARS TO  
CITIBANK N A

ACCOUNT INFORMATION

A B A NUMBER 021000089  
FOR CREDIT TO ACCOUNT 30060143  
REF BILL NO 948614

BANK ADDRESS

460 WEST 33<sup>RD</sup> STREET  
NEW YORK NY 10043  
U S A

MAY INCLUDE PROFESSIONAL SERVICES CHARGES AND DISBURSEMENTS FROM AFFILIATES  
PROFESSIONAL SERVICES CHARGES AND DISBURSEMENTS WHICH HAVE NOT BEEN RECORDED AS OF THE ABOVE  
DATE WILL BE BILLED SUBSEQUENTLY

B43B

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

Genuity Inc (DIP)  
Page 2

January 8, 2003  
Bill No 948614

For Business Operations	\$	61 475 50
Less Fee Accommodation		( 104 00)
		<u>61,371 50</u>

Charges and Disbursements

Telecommunications	\$	118 07
Travel Expenses		1,705 31
Total Disbursements		<u>1,823 38</u>
	\$	63 194 88

For Case Administration	\$	136 993 25
Less Fee Accommodation		( 11,123 75)
		<u>125 869 50</u>

Charges and Disbursements

Computer Legal Research	\$	578 71
Courier Express		
Delivery and Postage		2 320 98
Telecommunications		1 512 88
Filing/Court Fees		75 00
Outside Research Services		51 08
Court Reporting		570 00
Reproduction and Document Preparation		16 301 35
Travel Expenses		4 665 90
Total Disbursements		<u>26,075 90</u>
	\$	151 945 40

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

Genuity Inc (DIP)  
Page 3

January 8, 2003  
Bill No 948614

For Claims Administration and Objections	\$	1,027 00
Less Fee Accommodation		( 0 00)
		1,027 00

Charges and Disbursements

Telecommunications	\$	3 25
Reproduction and Document Preparation		33 00
Total Disbursements		36 25

\$ 1 063 25

For Creditors Meetings/Committees	\$	26 103 50
Less Fee Accommodation		( 0 00)
		26 103 50

Charges and Disbursements

Telecommunications	\$	6 16
Total Disbursements		6 16

\$ 26 109 66

For Employee Matters	\$	49,425 50
Less Fee Accommodation		( 1,699 50)
		47 726 00

Charges and Disbursements

Computer Legal Research	\$	747 63
Telecommunications		18 22
Reproduction and Document Preparation		15 40
Travel Expenses		14 50
Total Disbursements		795 75

\$ 48 521 75

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

Genuity Inc (DIP)  
Page 4

January 8, 2003  
Bill No 948614

For Lease Real Property	\$	7 585 00
Less Fee Accommodation		<u>( 1,461 50)</u>
		6 123 50

<u>Charges and Disbursements</u>		
Telecommunications	\$	2 91
Reproduction and Document Preparation		4 20
Total Disbursements		<u>7 11</u>
	\$	6 130 61

For Non-Working Travel Time	\$	29 687 50
Less Fee Accommodation		<u>( 14,939 75)</u>
		14 747 75

<u>Charges and Disbursements</u>		
Telecommunications	\$	15 82
Travel Expenses		269 94
Total Disbursements		<u>285 76</u>
	\$	15 033 51

For Reports and Schedules	\$	2 811 00
Less Fee Accommodation		<u>( 1,650 00)</u>
		1 161 00

<u>Charges and Disbursements</u>		
Telecommunications	\$	3 37
Total Disbursements		<u>3 37</u>
	\$	1 164 37

SKADDEN ARPS SLATE, MEAGHER & FLOM LLP AND AFFILIATES

Genuity Inc (DIP)  
Page 5

January 8 2003  
Bill No 948614

For Retention/Fee Matter (SASM&F)	\$	32 101 00
Less Fee Accommodation		<u>( 2,543 50)</u>
		29 557 50

Charges and Disbursements

Computer Legal Research	\$	140 76
Telecommunications		17 63
Total Disbursements		<u>158 39</u>
	\$	29 715 89

For Retention/Fee Matters/Objections (Others)	\$	20 282 50
Less Fee Accommodation		<u>( 4,957 00)</u>
		15 325 50

Charges and Disbursements

Telecommunications	\$	10 03
Total Disbursements		<u>10 03</u>
	\$	15 335 53

For Utilities	\$	3 613 50
Less Fee Accommodation		<u>( 0 00)</u>
		3 613 50

Charges and Disbursements

Telecommunications	\$	1 03
Total Disbursements		<u>1 03</u>
	\$	3 614 53

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

Genuity Inc (DIP)  
Page 6

January 8 2003  
Bill No 948614

For Vendor Matters	\$	12,437 50
Less Fee Accommodation		( 0 00)
		<u>12,437 50</u>

Charges and Disbursements

Courier, Express		
Delivery and Postage	\$	38 85
Telecommunications		1 65
Reproduction and Document		
Preparation		128 46
Total Disbursements		<u>168 96</u>
	\$	12 606 46

Total Fees	\$609 452 25
Total Charges and Disbursements	\$32 477 38
Grand Total	\$641,929 63

Exhibit B



TIME SUMMARY - - ALL MATTERS  
 GENUITY INC (DIP) THROUGH DECEMBER 31 2002

**MATTER #3 Asset Dispositions**

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
KENT A COIT	\$655	54 10	\$35 435 50
ERIC M DAVIS	520	18 40	9 568 00
SALLY MCDONALD HENRY	625	2 90	1 812 50
J GREGORY MILMOE	725	<u>10 50</u>	<u>7,612 50</u>
TOTAL PARTNERS		85 90	\$54 428 50

<u>COUNSEL</u>			
BRIAN C MOHR	\$485	<u>31 10</u>	\$ 15,083 50
TOTAL COUNSEL		31 10	\$15 083 50

<u>ASSOCIATES</u>			
KRIS AGARWAL	\$240	50 50	\$12 120 00
ROSS E COHEN	240	25 00	6 000 00
Yael DAR	335	88 80	29 748 00
ANTHONY DECICCO	240	15 40	3 696 00
JOHN G DERDERIAN	240	34 90	8 376 00
LAURA ENGELHARDT	335	86 60	29 011 00
JARETT EPSTEIN	240	28 80	6 912 00
MORDECAI L GEISLER	240	18 60	4 464 00
CHERI L HOFF	455	18 70	8 508 50
DAVID R HURST	395	31 70	12 521 50
HARRY L HUTCHINSON JR	240	47 90	11 496 00
DANIEL T JANIS	240	66 90	16 056 00
IVY JOHNSON	295	21 70	6 401 50
WILLIAM J LUNDREGAN	455	<u>45 60</u>	<u>20,748 00</u>
TOTAL ASSOCIATES		581 10	\$176 058 50

<u>LEGAL ASSISTANTS</u>			
LEGAL ASSISTANT @	\$110	17 20	\$1 892 00
LEGAL ASSISTANT @	130	<u>130 20</u>	<u>16,926 00</u>
TOTAL LEGAL ASSISTANTS		147 40	\$18 818 00

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP): THROUGH DECEMBER 31, 2002

MATTER TOTAL

845 50

\$264,388 50

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #5 Business Operations

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	14 00	\$7 280 00
SALLY MCDONALD HENRY	625	<u>39 90</u>	<u>24,937 50</u>
TOTAL PARTNERS		53 90	\$32 217 50
<u>ASSOCIATES</u>			
DAVID E BARRETT	\$295	1 20	\$354 00
LAURA ENGELHARDT	335	5 70	1 909 50
CHERI L HOFF	455	<u>59 10</u>	<u>26,890 50</u>
TOTAL ASSOCIATES		66 00	\$29 154 00
MATTER TOTAL		<u>119 90</u>	<u>\$61,371 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #6 Case Administration

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	29 30	\$15 236 00
SALLY MCDONALD HENRY	625	35 00	21 875 00
J GREGORY MILMOE	725	<u>19 90</u>	<u>14,427 50</u>
TOTAL PARTNERS		84 20	\$51,538 50
<u>ASSOCIATES</u>			
DAVID E BARRETT	\$295	6 60	\$1 947 00
LAURA ENGELHARDT	335	81 50	27 302 50
JARETT EPSTEIN	240	20 50	4 920 00
CHERI L HOFF	455	21 10	9 600 50
DAVID R HURST	395	39 60	15 642 00
PATRICIA A WIDDOSS	395	<u>2 00</u>	<u>790 00</u>
TOTAL ASSOCIATES		171 30	\$60,202 00
<u>LEGAL ASSISTANTS</u>			
LEGAL ASSISTANT @	\$80	6 70	\$536 00
LEGAL ASSISTANT @	110	115 30	12 683 00
LEGAL ASSISTANT @	130	<u>7 00</u>	<u>910 00</u>
TOTAL LEGAL ASSISTANTS		129 00	\$14 129 00
MATTER TOTAL		<u>384 50</u>	<u>\$125,869 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP): THROUGH DECEMBER 31, 2002

MATTER #7 Claims Administration and Objections

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
PATRICIA A WIDDOSS	\$395	<u>2 60</u>	<u>\$1,027 00</u>
TOTAL ASSOCIATE		<u>2 60</u>	<u>\$1 027 00</u>
MATTER TOTAL		<u>2 60</u>	<u>\$1,027 00</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP): THROUGH DECEMBER 31, 2002

MATTER #9 Creditors Meetings/Committees

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	10 80	\$5 616 00
SALLY MCDONALD HENRY	625	7 00	4 375 00
J GREGORY MILMOE	725	<u>17 60</u>	<u>12,760 00</u>
TOTAL PARTNERS		35 40	\$22 751 00
<u>ASSOCIATES</u>			
LAURA ENGELHARDT	\$335	4 00	\$1 340 00
CHERI L HOFF	455	2 60	1 183 00
DAVID R HURST	395	<u>2 10</u>	<u>829 50</u>
TOTAL ASSOCIATES		8 70	\$3 352 50
MATTER TOTAL		<u>44 10</u>	<u>\$26,103 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #11 Employee Matters

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	21 90	\$11 388 00
SALLY MCDONALD HENRY	625	20 40	12 750 00
J GREGORY MILMOE	725	<u>10 20</u>	<u>7,395 00</u>
TOTAL PARTNERS		52 50	\$31 533 00
<u>ASSOCIATES</u>			
DAVID E BARRETT	\$295	15 60	\$4 602 00
LAURA ENGELHARDT	335	2 60	871 00
CHERI L HOFF	455	23 30	10 601 50
DAVID R HURST	395	<u>0 30</u>	<u>118 50</u>
TOTAL ASSOCIATES		41 80	\$16 193 00
MATTER TOTAL		<u>94 30</u>	<u>\$47,726 00</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #17 Lease Real Property

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNER</u>			
SALLY MCDONALD HENRY	\$625	<u>0 80</u>	\$ <u>500 00</u>
TOTAL PARTNER		0 80	\$500 00
<u>ASSOCIATES</u>			
THERESA V BROWN-EDWARDS	\$395	3 20	\$1 264 00
CHERI L HOFF	455	0 90	409 50
DAVID R HURST	395	<u>10 00</u>	<u>3,950 00</u>
TOTAL ASSOCIATES		14 10	\$5 623 50
MATTER TOTAL		<u>14 90</u>	<u>\$6,123 50</u>



TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #21 Non-Working Travel Time

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$260 00	16 20	\$4 212 00
SALLY MCDONALD HENRY	312 50	<u>3 50</u>	<u>1,093 75</u>
TOTAL PARTNERS		19 70	\$5 305 75
<u>ASSOCIATES</u>			
ROSS E COHEN	\$120 00	2 50	\$300 00
ANTHONY DECICCO	120 00	1 30	156 00
JOHN G DERDERIAN	120 00	8 40	1 008 00
LAURA ENGELHARDT	167 50	1 20	201 00
CHERI L HOFF	227 50	9 80	2 229 50
DAVID R HURST	197 50	18 20	3 594 50
DANIEL T JANIS	120 00	<u>6 20</u>	<u>744 00</u>
TOTAL ASSOCIATES		47 60	\$8 233 00
<u>LEGAL ASSISTANTS</u>			
LEGAL ASSISTANT @	\$65 00	18 60	\$ 1,209 00
TOTAL LEGAL ASSISTANTS		18 60	\$1 209 00
MATTER TOTAL		<u>85 90</u>	<u>\$14,747 75</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #26 Reports and Schedules

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATES</u>			
LAURA ENGELHARDT	\$335	0 40	\$134 00
DAVID R HURST	395	1 20	474 00
PATRICIA A WIDDOSS	395	1 40	<u>553 00</u>
TOTAL ASSOCIATES		3 00	\$1,161 00
MATTER TOTAL		<u>3 00</u>	<u>\$1,161 00</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #27 Retention/Fee Matter (SASM&F)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	2 20	\$1 144 00
SALLY MCDONALD HENRY	625	5 40	3 375 00
J GREGORY MILMOE	725	<u>16 90</u>	<u>12,252 50</u>
TOTAL PARTNERS		24 50	\$16 771 50
<u>ASSOCIATES</u>			
DAVID E BARRETT	\$295	41 60	\$12 272 00
JARETT EPSTEIN	240	<u>0 40</u>	<u>96 00</u>
TOTAL ASSOCIATES		42 00	\$12 368 00
<u>LEGAL ASSISTANTS</u>			
LEGAL ASSISTANT @	\$80	3 30	\$264 00
LEGAL ASSISTANT @	110	<u>1 40</u>	<u>154 00</u>
TOTAL LEGAL ASSISTANTS		4 70	\$418 00
MATTER TOTAL		<u>71 20</u>	<u>\$29,557 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP) THROUGH DECEMBER 31, 2002

MATTER #28 Retention/Fee Matters/Objections (Others)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
SALLY MCDONALD HENRY	\$625	1 20	\$750 00
J GREGORY MILMOE	725	<u>1 30</u>	<u>942 50</u>
TOTAL PARTNERS		2 50	\$1,692 50
<u>ASSOCIATES</u>			
LAURA ENGELHARDT	\$335	0 40	\$134 00
JARETT EPSTEIN	240	6 80	1 632 00
CHERI L HOFF	455	1 60	728 00
DAVID R HURST	395	3 60	1 422 00
PATRICIA A WIDDOSS	395	<u>24 60</u>	<u>9,717 00</u>
TOTAL ASSOCIATES		37 00	\$13 633 00
MATTER TOTAL		<u>39 50</u>	<u>\$15,325 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP): THROUGH DECEMBER 31, 2002

MATTER #33 Utilities

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	0 60	\$312 00
SALLY MCDONALD HENRY	625	<u>3 80</u>	<u>2,375 00</u>
TOTAL PARTNERS		4 40	\$2 687 00
<u>ASSOCIATES</u>			
LAURA ENGELHARDT	\$335	0 70	\$234 50
CHERI L HOFF	455	1 00	455 00
DAVID R HURST	395	<u>0 60</u>	<u>237 00</u>
TOTAL ASSOCIATES		2 30	\$926 50
MATTER TOTAL		<u>6 70</u>	<u>\$3,613 50</u>

TIME SUMMARY - - ALL MATTERS  
GENUITY INC (DIP): THROUGH DECEMBER 31, 2002

MATTER #34 Vendor Matters

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
ERIC M DAVIS	\$520	17 00	\$8 840 00
SALLY MCDONALD HENRY	625	<u>3 60</u>	<u>2,250 00</u>
TOTAL PARTNERS		20 60	\$11 090 00
<u>ASSOCIATES</u>			
LAURA ENGELHARDT	\$335	1 90	\$636 50
DAVID R HURST	395	<u>1 80</u>	<u>711 00</u>
TOTAL ASSOCIATES		3 70	\$1,347 50
MATTER TOTAL		<u>24 30</u>	<u>\$12,437 50</u>
CLIENT TOTAL		<u>1736 40</u>	<u>\$609,452 25</u>

Exhibit C

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity Inc (DIP)  
 Asset Dispositions

Bill Date 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
COIT KA	12/02/02	3 20	TELECONFERENCE WITH I PARKER AND D O BRIEN IN NYO REGARDING DELAY COSTS UNDER ASSET PURCHASE AGREEMENT (APA) (0 1) REVIEW APA AND A BORGGAARD SPREAD SHEET REGARDING DELAY COST CALCULATION (0 3) ANALYSIS REGARDING DELAY COSTS (0 1) REVIEW AND COMMENT ON LAZARD SUMMARY OF TERMS TO BE PROVIDED TO POTENTIAL BIDDERS (0 7) REVIEW FORM CONFIDENTIALITY AGREEMENT TO BE USED FOR POTENTIAL BIDDERS (0 2) REVIEW L3 CONFIDENTIALITY AGREEMENT AND CONSIDER INCLUSION/EXCLUSION OF STANDSTILL IN FORM CONFIDENTIALITY AGREEMENT FOR POTENTIAL BIDDERS (0 4) WORK ON APPROPRIATE CONFIDENTIALITY AGREEMENT FORM FOR POTENTIAL BIDDERS AND STRATEGIC CONSIDERATIONS (0 2) PHONE DISCUSSIONS WITH D DESCOTEAUX OF LAZARD REGARDING CONFIDENTIALITY AGREEMENT FORM AND COMPLIANCE WITH SECTION 6 8 OF APA (0 7) PHONE DISCUSSION WITH A BORGGAARD REGARDING ANTITRUST CONSIDERATIONS IN DUE DILIGENCE (0 3) AND HSR FILING TIMING AND STRATEGY (0 2)
COIT KA	12/03/02	0 50	ANALYSIS REGARDING HSR TIMING/STRATEGY 4(C) DOCUMENTS AND STATUS OF LEVEL 3 FILING (0 3) DEVELOP STRATEGY REGARDING SUPERSEDING EXISTING NDAS WITH POTENTIAL BIDDERS (0 2)
COIT KA	12/04/02	1 50	PHONE DISCUSSIONS WITH A BORGGAARD REGARDING POSSIBLE CONTRACTUAL ISSUES ASSOCIATED WITH BANKRUPTCY COURT COMMENTS REGARDING AUCTIONS (0 2) PHONE DISCUSSIONS WITH A BORGGAARD AND L SCHWARTZ REGARDING BANKRUPTCY STRATEGY/TIMELINE (0 5) WORK ON HSR FILING TIMING AND STRATEGY (0 3) WORK ON DUE DILIGENCE OBJECTIVES AND STRATEGY WITH R/T RENEWABLE CONTRACTS AND IP LICENSE AGREEMENTS (0 5)



SKADDEN, ARPS, SLATE MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

COIT KA	12/05/02	1 00	PHONE DISCUSSION WITH A BORGGAARD REGARDING TIMING OF HSR FILING AND STRATEGY VIS-A-VIS L3 W/T/R WAIVER (0 2) PHONE CALL TO M LEFKORT OF WF&G REGARDING TIMING OF HSR FLING AND WAIVER (0 1) DRAFT AND SEND E-MAIL TO M LEFKORT REGARDING TIMING OF HSR FILING AND WAIVER (0 2) PHONE DISCUSSION WITH B STELWAGON OF WF&G REGARDING EXTENSION OF HSR FILING DEADLINE (0 2) WORK ON POTENTIAL BIDDER NDA NEGOTIATIONS (0 2) ANALYSIS REGARDING TIMING OF HSR FILING (0 1)
COIT KA	12/06/02	6 40	DEVELOP STRATEGY W/R/T POTENTIAL BIDDER CONF AGREEMENT REQUESTS (0 2) WORK ON POTENTIAL BIDDER CONF AGREEMENT (0 2) PHONE CALL POTENTIAL BIDDER REGARDING REQUESTED CHANGES TO CONF AGREEMENT (0 2) REVIEW EXISTING CONF AGREEMENT WITH POTENTIAL BIDDER (0 3) PHONE CALL WITH POTENTIAL BIDDER REGARDING CONF AGREEMENT CHANGES (0 1) PHONE DISCUSSION WITH D DESCOTEUX OF LAZARD REGARDING POTENTIAL BIDDER CONF AGREEMENT (0 1) CONFERENCE CALL WITH LAZARD TO REVIEW STATUS OF BIDDING PROCESS (0 8) BEGIN REVIEWING AND MARKING UP SECTION 5 1 CONSENT DRAFT SENT BY WILLKIE AND DISCUSS WITH A BORGGAARD (2 7) DEVELOP STRATEGY AS TO SENDING OUT APA SCHEDULES TO POTENTIAL BIDDER (0 7) PHONE CALLS WITH I PARKER REGARDING STRATEGY AS TO SENDING OUT APA SCHEDULES (0 4) PHONE CALLS WITH D DESCOTEUX REGARDING STRATEGY/FEASIBILITY SENDING OUT APA SCHEDULES (0 5) PHONE DISCUSSION WITH A BORGGAARD REGARDING CONFERENCE CALL TO DISCUSS SENDING SCHEDULES TO POTENTIAL BIDDER (0 2)
COIT KA	12/07/02	0 90	CONFERENCE CALL WITH D O BRIEN L SCHWARTZ A BORGGAARD D DESCOTEUX D ARONSON REGARDING DISCUSSIONS WITH POTENTIAL BIDDER AND STRATEGY REGARDING PROVIDING SCHEDULES TO APA (0 9)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

COIT KA	12/09/02	3 90	ANALYSIS REGARDING OPERATION OF SEVERANCE AND RETENTION PROVISIONS OF APA AND DRAFT SECTION 5 1 CONSENT (0 2) ANALYZE STATUS OF NOTIFICATIONS TO L3 W/R/T OTHER POTENTIAL BIDDERS (0 2) WORK ON NOTIFICATIONS TO L3 OF INTERACTIONS WITH POTENTIAL BIDDERS (0 3) REVIEW AND REVISE MARKUP OF SECTION 5 1 CONSENT (1 4) RECEIVE COMMENTS FROM A BORGGAARD ON MARKUP OF SECTION 5 1 CONSENT AND REVISE ACCORDINGLY (0 4) RECEIVE ADDITIONAL COMMENTS FROM A BORGGAARD ON SECTION 5 1 CONSENT AND REVISE ACCORDINGLY (0 3) PREPARE COVER LETTER TO ACCOMPANY MARKUP OF SECTION 5 1 CONSENT AND SEND TO WILLKIE (0 3) PHONE DISCUSSION WITH A BORGGAARD AND L SCHWARTZ REGARDING STATUS OF BANKRUPTCY CASE AND STRATEGY (0 5) PHONE DISCUSSIONS WITH A BORGGAARD AND L SCHWARTZ REGARDING PROVING REJECTION CLAIMS SCHEDULE TO L3 (0 3)
COIT KA	12/10/02	4 10	REVIEW APA SELECTED SECTIONS AND LAZARD SUMMARY IN PREPARATION FOR POTENTIAL BIDDER CONFERENCE CALL (0 5) HONE DISCUSSIONS WITH L SCHWARTZ A BORGGAARD AND D DESCOTEAUX REGARDING CALL WITH POTENTIAL BIDDER (0 5) CONFERENCE CALL WITH POTENTIAL BIDDER LAZARD AND GFNUITY REGARDING APA TERMS (1 5) FOLLOW UP CALL WITH GENUITY AND LAZARD REGARDING POTENTIAL BIDDER DISCUSSION AND STRATEGY (0 6) DEVELOP STRATEGY W/R/T TRANSITION OF BANKRUPTCY CASE TO R&G W"TH LEAST DISRUPTION (0 5) REVIEW LAZARD SUMMARY OF STATUS OF BIDDING PROCESS (0 1) REVIEW LETTERS FROM POTENTIAL BIDDER (0 2) WORK ON OPEN ISSUES ON CONF AGREEMENTS WITH POTENTIAL BIDDERS (0 2)

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COIT KA

12/11/02

6 20

DEVELOP STRATEGY RELATING TO APA AND BANKRUPTCY AND IN CONNECTION WITH TRANSITION OF SUBSTANTIVE BANKRUPTCY ROLE AND R&G (0 5) MEETINGS AT ROPES AND GRAY TO DISCUSS PROPOSED TRANSACTION WITH L3 AND RELATED MATTERS (3 0) REVIEW AND REVISE DRAFT AMENDMENT TO APA RELATING TO FCC LICENSES (1 5) PHONE DISCUSSIONS WITH B MCCARTHY REGARDING CREDITORS COMM ISSUES ON BIDDING PROCEDURES AND OTHER ITEMS TO BE DISCUSSED AT MEETING (0 5) ANALYSIS REGARDING CONF AGREEMENT FOR CREDITORS COMM AND STRATEGY VIS-A-VIS CREDITORS COMM ON AGENDA ITEMS (0 4) WORK ON ISSUES ON POTENTIAL BIDDER CONF AGREEMENT (0 3)

COIT KA

12/12/02

7 70

REVIEW BIDDING PROCEDURES AND DISCUSS TERMS/STRATEGY WITH L SCHWARTZ AND I PARKER (2 5) MEETING WITH CLIENT ROPES & GRAY AND LAZARD TO PREPARE FOR MEETING KRAMER LEVIN AND D&T (1 5) MEETING CLIENT ROPES & GRAY LAZARD AND KRAMER LEVIN REGARDING ASSET PURCHASE AGREEMENT OTHER POTENTIAL BIDDERS AND RELATED MATTERS (3 2) REVIEW APA REGARDING ISSUES RELATED TO WILLKIE RESPONSE TO SKADDEN DRAFT OF AMENDMENT TO APA RELATING TO FCC LICENSES (0 5)

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COIT KA	12/13/02	4 70	<p>DISCUSSIONS WITH A BORGGAARD REGARDING SECTION 5 1 CONSENT AND AMENDMENT TO APA REGARDING FCC LICENSES (0 4) E-MAILS REGARDING CONF AGREEMENT FOR CREDITORS COMMITTEE (0 1) PHONE CONFERENCE WITH A BORGGAARD REGARDING HSR/ANTITRUST ISSUES (0 8) REVIEW MARKUPS OF BIDDING PROCEDURES ORDER AND BIDDING PROCEDURES PREPARED BY CREDITORS COMM COUNSEL AND OTHERS (0 6) TELEPHONE CALL TO I PARKER REGARDING BIDDING PROCEDURES (0 1) TELEPHONE CALLS TO L SCHWARTZ AND A BORGGAARD REGARDING BIDDING PROCEDURES (0 1) TELEPHONE CALL TO B MCCARTHY REGARDING BIDDING PROCEDURES (0 1) CONFERENCE CALL WITH ROPES CLIENT AND LAZARD REGARDING BIDDING PROCEDURES ISSUES/STRATEGY (1 5) REVIEW SBC OBJECTION TO BIDDING PROCEDURES (0 3) TELEPHONE CALL TO M LEFKORT REGARDING SECTION 5 1 CONSENT (0 1) REVIEW PROPOSAL FROM S AVRUCH REGARDING SECTION 5 1 CONSENT (0 1) DEVELOP STRATEGY AND TIMING OF SENDING SCHEDULES TO POTENTIAL BIDDER (0 2) CALL WITH A BORGGAARD REGARDING PENDING ISSUES/TASKS (0 3)</p>
COIT KA	12/15/02	1 80	<p>CONFERENCE CALL WITH A BORGGAARD L SCHWARTZ D ARONSON B MCCARTHY AND R MARTIN REGARDING STRATEGY/ISSUES WITH RESPECT TO BIDDING PROCEDURES (1 8)</p>
COIT KA	12/16/02	1 40	<p>PHONE DISCUSSION WITH A BORGGAARD RE STATUS OF AND STRATEGY WITH RESPECT TO BID PROCEDURES ORDER SECTION 5 1 CONSENT AND OTHER OPEN MATTERS (0 2) REVIEW AND COMMENT ON REVISED DRAFT BID PROCEDURES ORDER (0 6) WORK ON GENUITY QUESTIONS REGARDING COMPLIANCE WITH SECTION 5 1 OF APA AND ISSUES REGARDING CONTINGENCY AGREEMENTS WITH POTENTIAL BIDDERS (0 5) TELEPHONE CONFERENCE WITH M LEFKORT RE SECTION 5 1 CONSENT (0 1)</p>

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COIT KA	12/17/02	1 30	PHONE DISCUSSION WITH A BORGGAARD REGARDING TERMS AND STRATEGY FOR FINALIZING SECTION 5 1 CONSENT AND FCC AMENDMENT (0 2) TELEPHONE CALL AND E-MAIL TO M LEFKORT REGARDING SECTION 5 1 CONSENT AND FCC AMENDMENT (0 1) REVIEW AND REVISE AMENDMENT TO APA REGARDING BIDDING PROCEDURES ORDER (0 6) ANALYSIS RE SECTION 5 1 COMPLIANCE ISSUES (0 4)
COIT KA	12/18/02	2 20	WORK ON PROVIDING DUE DILIGENCE MATERIAL TO CREDITORS COMMITTEE (0 2) PHONE CONFERENCE WITH A BORGGAARD REGARDING OPEN ISSUES ON SASM&F REVISED DRAFT OF AMENDMENT AND WAIVER (0 4) PHONE CONFERENCE WITH A BORGGAARD REGARDING POSSIBLE ANTITRUST ALLEGATIONS OF POTENTIAL BIDDER (0 4) REVIEW WILLKIE REDRAFT OF AMENDMENT AND WAIVER DISCUSS WITH A BORGGAARD AND PLACE CALLS TO M LEFKORT AND B YATES RE SAME (1 2)
COIT KA	12/19/02	1 70	REVIEW REVISED DRAFT OF AMENDMENT/WAIVER (0 4) PHONE CONFERENCE WITH A BORGGAARD TO DISCUSS REVISED DRAFT (0 4) CONFERENCE CALL WITH A BORGGAARD AND WILLKIE TO DISCUSS/ NEGOTIATE/ WAIVER (0 9)
COIT KA	12/20/02	1 20	REVIEW REVISED DRAFT OF AMENDMENT/WAIVER (0 3) DISCUSS REVISED DRAFT BY PHONE WITH A BORGGAARD (0 2) DISCUSSION/NEGOTIATION WITH M LEFKORT REGARDING REVISED DRAFT (0 2) REVIEW AND MARKUP FURTHER REVISED DRAFT AND DISCUSS BY PHONE WITH A BORGGAARD (0 4) DRAFT AND SEND EMAIL RESPONSE TO M LEFKORT (0 1)
COIT KA	12/26/02	0 30	DEVELOP STRATEGY CONCERNING L3 POSITION ON REJECTION/TERMINATION OF AOL PROMOTIONAL AGREEMENT AND VOICEMAIL TO M LEFKORT CONCERNING THE SAME (0 3)

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COIT KA	12/30/02	4 10	PREPARATION FOR CONFERENCE CALL WITH CLIENT AND ROPES & GRAY CONCERNING ASSUMPTION/REJECTION TIMING AND PROCEDURES UNDER APA (0 5) CONFERENCE CALL WITH CLIENT AND ROPES AND GRAY CONCERNING ASSUMPTION/REJECTION TIMING AND PROCEDURES UNDER APA (2 5) ANALYSIS REGARDING SUBSEQUENT NOTICES TO COUNTERPARTIES ARISING FROM SCHEDULE UPDATES UNDER APA (0 4) PHONE DISCUSSION WITH D DEAMICIS OF ROPES & GRAY REGARDING SUBSEQUENT NOTICES REFERRED TO ABOVE ( 02) WORK ON SUBSEQUENT NOTICES REFERRED TO ABOVE (0 3) PHONE DISCUSSION WITH A BORGGAARD REGARDING SUBSEQUENT NOTICES AND OTHER MATTERS ARISING FROM CONFERENCE CALL (0 2)
		54 10	
DAVIS EM	11/27/02	1 80	WORK ON FINAL MATTERS RELATING TO APA AND THE SALE MOTION (1 2) CALLS WITH COURT ON FILING SAME ( 3) REWORK MOTION AND FILE ( 3)
DAVIS EM	11/30/02	0 40	WORK ON PRESENTATION OF SALE MOTION ISSUES TO COURT AT FIRST DAY HEARING ( 4)
DAVIS EM	12/02/02	3 40	WORK ON ISSUES RE NOTICE AND HEARINGS RELATING TO SALE ( 9) CALLS WITH LEVEL S COUNSEL ON SAME ( 8) MEETING WITH COMPANY RE GENERAL STRATEGY ON PRESENTATION OF SALE PAPERS AND LITIGATION ON SAME (1 7)
DAVIS EM	12/03/02	0 90	REVIEW AND COMMENT ON TIMELINE FOR CLOSING ( 6) COMMUNICATE WITH COMPANY RE FORM OF SUPPORT LETTERS ( 3)
DAVIS EM	12/04/02	1 90	CALLS AND CORRESPONDENCE WITH ALLEGIANCE S COUNSEL RE ASSET PURCHASE AGREEMENT AND COMMITTEE MEMBERSHIP ( 9) CONF CALL WITH GENUITY S M&A TEAM TO PROVIDE UPDATES REGARDING THE PROCEEDINGS (1 0)
DAVIS EM	12/10/02	2 10	STATUS CALL WITH GENUITY M&A TEAM RE APA ( 9) AS PART OF TRANSITION WORK ON FINALIZING THE PROFFERS AND Q&A S FOR 12/16 HEARING (1 2)

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DAVIS EM	12/12/02	4 10	CONTINUE WORK ON DRAFTS OF PROFFERS AND Q&A QUESTIONS FOR HEARING ON BID PROCEDURES TO TRANSITION SAME TO ROPES FOR HEARING (3 4) MULTIPLE CALLS WITH LAZARD FOR ADDITIONAL BACKGROUND MATERIALS FOR HEARING ( 7)
DAVIS EM	12/13/02	1 30	REVIEW OBJECTIONS TO BID PROCEDURES (1 1) CALL WITH BILL MCCARTHY RE TRANSITION ON SAME ( 2)
DAVIS EM	12/16/02	2 10	REVIEW EMAIL REQUEST FROM A BORGGAARD RE FIRST DAY AFFIDAVITS ( 1) REVIEW FILE FOR INFORMATION ON SAME ( 8) EMAIL RESPONSE TO A BORGGAARD ( 2) REVIEW AND PROVIDE COMMENTS TO REVISED BID PROCEDURES ORDER ( 5) REVIEW NOTES ON SAME ( 3) RESPOND TO VARIOUS EMAILS ON SAME ( 2)
DAVIS EM	12/17/02	0 40	DETERMINE STATUS AND PLAN FOR NOTICE OF BID ORDER ( 4)
		18 40	
HENRY S	12/04/02	0 20	REVIEW E-MAIL RE INITIAL REVISION OF APA AND CHANGES THERETO ( 2)
HENRY S	12/06/02	1 10	T/C CALIFANO RE SUPPLYING INFORMATION TO BIDDERS AND EXTENSIVE FOLLOW UP RE SAME TO EXPEDITE FLOW OF INFORMATION (1 1)
HENRY S	12/10/02	0 50	REVIEW HIDLEY CORRESPONDENCE RE CONTRACT LANGUAGE AND FOLLOW UP RE SAME ( 3) WORK ON TRANSITIONAL ISSUE RE QUESTION RE DEAL FROM CALIFANO ( 2)
HENRY S	12/11/02	0 40	RESEARCH AND RESPOND TO REQUEST FROM ANDY BORGGAARD AND MARK HILEMAN FOR INFO RE DATES FOR SALE PROCESS ( 4)
HENRY S	12/16/02	0 70	MESSAGE FROM C BUTTS RE CONTRACT LANGUAGE AND WORK ON PROVIDING SAME ( 7)
		2 90	
MILMOE J	12/03/02	0 60	COORDINATE PREPARATION OF APPROACHES TO PROSPECTIVE PURCHASERS AND CALL W/WILLKIE RE SAME (0 6)

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MILMOE J	12/04/02	2 10	CALLS W/LAZARD RE POSSIBLE PARTICIPANTS (0 4) MEETING W/ PROSPECTIVE PURCHASER RE POSSIBLE INTEREST (1 1) CALLS WITH LEVEL 3 REGARDING PROCEDURES (0 6)
MILMOE J	12/06/02	1 40	CONF CALL W/LAZARD AND SR MGT TO REVIEW GROUND RULES REPORT ON PURCHASER INTEREST AND FOCUS ON SCHEDULES TO BE DELIVERED (0 8) FOLLOW UP CALLS W/ DAN ARONSON RE REDACTION OF SCHEDULES AND TRANSMITTAL TO POTENTIAL BIDDER (0 6)
MILMOE J	12/07/02	0 30	REVIEW ISSUES RE SCHEDULES REDACTION AND TACTICS ( 3)
MILMOE J	12/11/02	0 20	CALL W/D ARONSON TO FACILITATE INFO TO PROSPECTIVE BIDDERS (0 2)
MILMOE J	12/13/02	1 60	REVIEW CREDITOR S COMM PROPOSAL FOR BID PROCEDURES AND OBJECTION (0 6) CONF CALLS W/ROPES & GRAY AND COMPANY AND LAZARD RE RESPONSES (0 6) CALLS WITH K BUCKFIRE AND WILLKIE RE MODIFICATIONS (0 4)
MILMOE J	12/16/02	1 30	CALLS W/BILL MCCARTHY AND IRA PARKER RE REVISIONS TO SALE MOTION AND AREAS TO COMPROMISE (0 8) FOLLOW UP CALL W/ PARKER RE COMPROMISE (0 2) CALL FROM ATTY GENERAL RE SECTION 1146(C) ISSUE (0 3)
MILMOE J	12/17/02	1 20	REVIEW REVISED ORDER AND CONFER W/BILL MCCARTHY RE SAME (1 2)
MILMOE J	12/19/02	0 40	REVIEW PROPOSED AMENDMENT TO APA ( 4)
MILMOE J	12/20/02	0 60	CONFER W/D WALSH RE PROCESS AND FACILITATION OF NOTIFICATIONS ( 6)
MILMOE J	12/24/02	0 40	CALL W/IRA PARKER RE TRANSITION OF KERP SETTLEMENT TO LEVEL 3 (0 4)
MILMOE J	12/30/02	0 40	RESPOND TO QUESTIONS FROM TAXING AUTHORITIES RE SALE PROCEEDS ( 4)
		10 50	
<b>Total Partner</b>		<b>85 90</b>	



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MOHR BC	12/02/02	3 20	REVISE AND EDIT DRAFT HSR PER CLIENT COMMENTS AND READ EXECUTED DEAL DOCUMENTS FOR SAME (2 1) TELEPHONE CONFERENCES WITH CLIENT RE GUN-JUMPING ISSUES/PROTOCOL HSR STATUS AND TIMING ETC ( 6) INITIAL REVIEW OF POTENTIAL 4(C) DOCUMENTS ( 5)
MOHR BC	12/03/02	5 20	REVIEW CLIENT SLIDES RE GUN-JUMPING AND HSR AND PARTICIPATE IN LONG CONFERENCE CALL WITH A BORGGAARD AND CLIENT EXECUTIVES RE SAME (1 4) MARK UP AMENDMENT TO APA (1 3) REVIEW REVISE AND EDIT DRAFT HSR PER WILLKIE E-MAILS (1 1) CONTINUED REVIEW OF POTENTIAL 4(C) DOCUMENTS ( 8) TELEPHONE CONFERENCES WITH CLIENT RE HSR STATUS AND ISSUES ( 6)
MOHR BC	12/04/02	5 10	TELEPHONE CONFERENCES WITH CLIENT COUNSEL AND EXECUTIVES RE HSR/4(C) STATUS AND ISSUES FILING DATE ( 6) REVISE DRAFT HSR AND CONTINUED REVIEW OF POTENTIAL 4(C) DOCUMENTS (2 3) WORK ON 4(C)/BANKER PRIVILEGE ISSUE ( 6) WORK ON GUN-JUMPING AND RELATED ISSUES ( 8) WORK ON CERTIFICATION AND FILING FEE ISSUES ( 8)
MOHR BC	12/05/02	1 50	REVISE AND EDIT HSR AND CONTINUED REVIEW OF POTENTIAL 4(C) DOCUMENTS ( 7) TELEPHONE CONFERENCES AND CORRESPONDENCE WITH CLIENTS WILLKIE RE SAME ( 8)
MOHR BC	12/06/02	2 40	FINAL REVIEW OF 4(C) DOCUMENTS AND REVISIONS TO HSR FILING AND FILE WITH DOJ AND FTC AND TELEPHONE CONFERENCES WITH CLIENT WILLKIE RE SAME (1 2) REVIEW SECTION 5 1 CONSENT TO DEAL DOCUMENT AND TELEPHONE CONFERENCES WITH WILLKIE RE SAME (1 2)
MOHR BC	12/09/02	0 70	TELEPHONE CONFERENCES WITH CLIENT WILLKIE RE HSR TIMING SECTION 5 1 CONSENT GUN-JUMPING ETC AND REVIEW HSR/4(C) DOCUMENTS AS FILED WITH FTC AND DOJ ( 7)

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MOHR BC	12/10/02	0 70	REVIEW SECTION 5 1 MARK-UP AND RELATED E-MAILS ( 3) WORK ON HSR AND 4(C) DOCUMENT ISSUES AND FOLLOW-UP ( 4)
MOHR BC	12/11/02	0 90	TELEPHONE CONFERENCES WITH CLIENT COUNSEL AND EXECUTIVES RE GUN-JUMPING AND INFORMATION EXCHANGE ISSUES ( 9)
MOHR BC	12/12/02	1 70	CALL TO WILLKIE ATTORNEYS AND TELEPHONE CONFERENCES WITH CLIENT EXECUTIVES AND COUNSEL RE GUN-JUMPING AND RELATED INFORMATION EXCHANGE ISSUES ( 6) DEAL WITH HSR FOLLOW-UP AND POSSIBLE COMPLAINANT ISSUES AND PREPARE FOR 12/13 CONFERENCE CALL WITH CLIENT RE SAME (1 1)
MOHR BC	12/13/02	2 30	TELEPHONE CONFERENCE WITH CLIENT COUNSEL AND EXECUTIVES RE POSSIBLE ANTITRUST COMPLAINT IN DIAL-UP SEGMENT AND REVIEW AND EDIT DRAFT INFORMATION REQUEST RE SAME (1 2) TELEPHONE CONFERENCES AND E-MAILS WITH CLIENTS RE GUN-JUMPING AND INFORMATION EXCHANGE ISSUES (1 1)
MOHR BC	12/16/02	1 50	TELEPHONE CONFERENCES WITH CLIENT COUNSEL AND EXECUTIVES RE HSR STATUS POTENTIAL SUBSTANTIVE ANTITRUST ISSUE WITH POTENTIAL BIDDER ( 5) REVIEW CLIENT AND ANALYSTS DOCUMENTS AND E-MAILS FOR DIAL-UP MARKET ISSUES AND OTHER POSSIBLE COMPLAINT AREAS (1 0)
MOHR BC	12/17/02	0 90	E-MAILS TO AND FROM CLIENT RE DEAL STATUS AMENDMENT TO APA HSR QUESTION INFORMATION EXCHANGE POTENTIAL COMPLAINT RE SAME ( 9)
MOHR BC	12/18/02	1 70	ANALYSIS RE SUBSTANTIVE ANTITRUST ISSUES POSSIBLE COMPLAINT AND TELEPHONE CONFERENCES WITH CLIENTS AND WILLKIE RE SAME ( 5) DEAL WITH GUN-JUMPING AND INFORMATION EXCHANGE ISSUES WITH CLIENTS AND WILLKIE ( 6) REVIEW AMENDMENT TO DEAL DOCUMENTS AND DEAL WITH HSR REPORTABILITY OF SAME ( 6)

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MOHR BC	12/19/02	1 30	TELEPHONE CONFERENCES WITH CLIENTS AND WF&G RE HSR STATUS ISSUES AND STRATEGY GUN-JUMPING ISSUES COMPLAINT AND RESPONSES THERETO ETC ( 4) REVIEW AND ANALYZE WILLKIE TALKING POINTS OUTLINE RE COMPLAINT ISSUE ( 9)
MOHR BC	12/20/02	1 50	TELEPHONE CONFERENCES WITH CLIENTS AND WILLKIE RE TALKING PAPER OUTLINE FOR ANTITRUST ISSUES AND REVISE AND EDIT E-MAIL TO VERVEER RE SAME ( 7) TELEPHONE CONFERENCES WITH CLIENTS RE INFORMATION EXCHANGE ISSUES ( 8)
MOHR BC	12/24/02	0 50	TELEPHONE CONFERENCES WITH WILLKIE AND A BORGGAARD RE HSR STATUS PRESS RELEASE AND REVISE AND EDIT RELEASE ( 5)
		31 10	
<b>Total Counsel</b>		<b>31 10</b>	
AGARWAL K	12/02/02	5 70	REVIEW MULTIPLE DISCLOSURE SCHEDULES AND ORGANIZE AND DISTRIBUTE SCHEDULES TO PARTIES IN INTEREST (5 7)
AGARWAL K	12/03/02	1 80	DRAFT MEMO TO O HIDLEY AND UPDATE AND SEND SCHEDULES TO O HIDLEY (1 8)
AGARWAL K	12/05/02	0 60	EMAILS RE SCHEDULES WITH CLIENT AND CLARIFICATION OF ISSUES RE SCHEDULES( 6)
AGARWAL K	12/06/02	0 80	ORGANIZE AND COORDINATE REPRODUCTION AND DISTRIBUTION OF SCHEDULES ( 8)
AGARWAL K	12/07/02	0 80	COORDINATE OBTAINING COPIES OF DISCLOSURE SCHEDULES AND DISTRIBUTION OF SAME ( 8)
AGARWAL K	12/11/02	10 70	PREPARE CONTRACT NOTICE CHART (10 7)
AGARWAL K	12/12/02	8 70	CONTINUE TO CREATE AND EDIT CONTRACT NOTICE LIST (8 7)
AGARWAL K	12/13/02	2 70	CONTINUE REVISIONS AND EDITS ON NOTICE SCHEDULE (2 7)
AGARWAL K	12/16/02	8 50	CONTINUE GENUITY CONTRACT NOTICE LISTS (8 5)

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AGARWAL K	12/17/02	1 30	ASSIST IN SEARCH TO FIND NOTICE PARTIES ON SOFTWARE CHARTS (1 3)
AGARWAL K	12/19/02	1 20	DRAFT MEMO EXPLAINING SERVICE PROCESS (1 2)
AGARWAL K	12/23/02	1 30	CONTINUE MEMO RE SERVICE NOTICE ADDRESSES FOR SCHEDULES (1 3)
AGARWAL K	12/30/02	2 90	COMPARE PO SCHEDULE IN SELLER S DISCLOSURE TO REVISED SCHEDULE AND REPORT DISCREPANCIES AND BEGIN NOTICE LIST FOR NEW POS (2 9)
AGARWAL K	12/31/02	3 50	CONTINUE COMPARISON OF REVISED PO TO OLD PO AND COORDINATE WORD PROCESSORS TO GET THIS DONE (1 6) CONTINUE TO COMPILE LIST OF UPDATED PO NOTICES TO BE SENT OUT AND WORK W/ WORD PROCESSING TO GET THIS DONE (1 3) VARIOUS PHONE CONVERSATIONS WITH ROPES AND GRAY AND OTHER PARTIES RE UPDATED NOTICES BEING SENT OUT ( 6)
		50 50	
COHEN RE	12/04/02	0 50	ANALYSIS RE REQUIREMENTS FOR INTERIM COMPLIANCE DISCLOSURE SPREADSHEET ( 5)
COHEN RE	12/05/02	12 40	REVIEWED VENDOR CONTRACTS RENEWAL PROVISIONS FOR AGREEMENTS RELEVANT TO CLOSING (12 4)
COHEN RE	12/06/02	12 10	CONTINUE VENDOR CONTRACT REVIEW (12 1)
		25 00	
DAR Y	12/02/02	5 20	PREPARE DISCUSS WITH C BUTTS AND COORDINATE DELIVERY OF CUSTOMER CONTRACT SCHEDULE (1 3) REVIEW AND REVISE CHECKLIST AND TIMELINE (2 6) PREPARE LIST OF DELIVERABLES UNDER APA (0 4) PREPARE NOTICES UNDER APA (0 2) STRATEGIC PLANNING REGARDING COORDINATION (0 2) DISCUSS WITH B RIECK REGARDING DOCUMENTS (0 2) RESPOND TO VOICE MAIL FROM D DESCOTEAUX (LAZARD) (0 3)

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DAR Y	12/03/02	3 00	REVIEW SCHEDULES FOR RELEVANCE TO LAZARD AND DISTRIBUTE (0 3) REVIEW SCHEDULES TO BE DISTRIBUTED TO CLIENT AND SUPERVISE ASSEMBLE AND COORDINATE DISTRIBUTION (1 3) CALLS WITH O HIDLEY REGARDING INTERIM OPERATIONS AND NOTICES (0 3) REVIEW APA IN CONNECTION WITH INTERIM OPERATIONS (0 1) STRATEGIC PLANNING WITH CLIENT RE TIMING (0 4)
DAR Y	12/04/02	5 20	PREPARE NOTICE PURSUANT TO SECTION 5 4 OF THE APA (0 3) DISCUSS WITH CLIENT ADDITIONAL DISTRIBUTION OF SCHEDULES (0 2) ANALYSIS RE SCHEDULES 1 3 AND 1 6 AND CORRESPONDENCE REGARDING SAME WITH S AVRUCH AND B RIECK (0 6) STRATEGIC PLANNING FOR INTERIM OPERATIONS DILIGENCE AND PARTICIPATE IN CONFERENCE CALLS WITH A BORGGAARD REGARDING SAME (0 6) PREPARE DILIGENCE TEAM REGARDING INTERIM OPERATIONS (0 4) CONFERENCE CALL WITH CLIENT RE HSR AND STRATEGIC PLANNING REGARDING DISCUSSIONS WITH LEVEL 3 (0 5) REVIEW ASSEMBLE AND SUPERVISE DISTRIBUTION OF SCHEDULES PURSUANT TO SECTION 11 1 AND MISCELLANEOUS NOTICES (2 6)
DAR Y	12/05/02	3 60	CALL WITH J THORENSEN (WF&G) (0 2) PREPARE 6 10 NOTICE (0 1) WORK ON 5 1 COVENANTS (0 1) WORK ON COVENANTS FOR SALE OF ASSETS (0 3) RESEARCH APA FOR CERTAIN RULES (0 1) STRATEGIC PLANNING RE COVENANTS (0 2) DRAFT AND REVIEW FORM OF IP CONSENT (1 3) PREPARE UPDATE TO SCHEDULE 3 14(A) (0 3) PREPARE AND DISTRIBUTE UPDATE PURSUANT TO 5 1(C)(IX) (0 6) STRATEGIC PLANNING RE COORDINATION OF SCHEDULES/NOTICES (0 4)

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DAR Y	12/06/02	4 90	REVIEW NDAS AND DISCUSS PROCESS WITH E JOHNSON (LAZARD) (0 5) CALL WITH LAZARD AND CLIENT REGARDING BIDDING PROCEDURES PROCESS (0 9) CONFERENCE CALL WITH LAZARD REGARDING SCHEDULES (0 3) PREPARE AND DISTRIBUTE SCHEDULES TO LAZARD (0 5) REVIEW REDRAFT AND DISCUSS 5 1 CONSENT (1 3) CONFERENCE CALL WITH A BORGGAARD REGARDING 5 1 CONSENT (0 3) DISTRIBUTE 6 8 NOTICES (0 4) CONFERENCE CALL WITH I PARKER REGARDING SCHEDULES (0 2) STRATEGIC PLANNING REGARDING TIMING AND PROCESS ( 5)
DAR Y	12/07/02	8 20	CONFERENCE CALL WITH COMPANY REGARDING STRATEGIC PLANNING FOR DELIVERY OF MATERIALS TO POTENTIAL BIDDERS AND UPDATE LAZARD (D ARONSON D DESCOTEAUX) AND CLIENT RE SAME (0 9) CONFERENCE CALL RE REDACTING (A BORGGAARD L SCHWARTZ D DESCOTEAUX ET AL ) (0 5) CALLS WITH D DESCOTEAUX RE DISTRIBUTION CONTACTS AND TIMING (0 2) CALLS WITH L SCHWARTZ RE REDACTING (0 2) CALL WITH D DESCOTEAUX RE BIDDER STATUS (0 1) REVIEW AND REDACT SCHEDULES AS APPROPRIATE (5 3) DISTRIBUTION OF SCHEDULES (0 6) REVIEW AND REDRAFT 5 1 CONSENT (0 4)
DAR Y	12/09/02	5 30	RESPOND TO CORRESPONDENCE RE POTENTIAL BIDDERS (0 2) STRATEGIC PLANNING RE REJECTION CLAIMS (0 5) CONFERENCE CALL WITH A BORGGAARD AND L SCHWARTZ RE REDACTED SCHEDULES (0 5) REVIEW SCHEDULE 1 9 FOR APPROPRIATE REDACTING PREPARE AND DISTRIBUTE (0 6) DRAFT AND ANALYSIS OF 5 1 CONSENT (0 5) REVIEW AND CORRESPOND RE 6 8 NOTICES (0 3) DRAFT AND DISTRIBUTE 6 8 UPDATE (0 3) CALL WITH B RIECK RE DATA ROOM FOR POTENTIAL BIDDERS AND PROCESS ( 03) STRATEGIC PLANNING RE BIDDING PROCESS (1 3) WORK ON POTENTIAL BIDDER NDA (0 2) WORK ON STRATEGIC PLANNING RE 6 8 NOTICES (0 6)

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DAR Y	12/10/02	3 90	CONFERENCE CALL WITH CLIENT LAZARD AND POTENTIAL BIDDER REGARDING AGREEMENT (0 9) CONFERENCE CALL WITH LAZARD AND CLIENT REGARDING PROCESS (0 5) CALL WITH A BORGGAARD RE 6 8 NOTICES (0 4) STRATEGIC PLANNING RE SAME (0 6) PREPARE AND DISTRIBUTE 6 8 NOTICES (0 3) REVIEW AND PREPARE FOR CONFERENCE CALL RE BIDDING PROCESS (0 8) RESPOND TO J TAYLOR QUESTIONS RE SAME (0 4)
DAR Y	12/11/02	3 60	UPDATE CHECKLIST AND TIMELINE (1 5) CONFERENCE WITH D DESCOTEAUX (LAZARD) RE SAME (0 2) RESPOND TO CLIENT EMAILS RE SAME (0 3) DRAFT AND DISTRIBUTE FCC AMENDMENT (1 4) CALL WITH A BORGGAARD RE SAME (0 2)
DAR Y	12/12/02	0 70	STRATEGIC PLANNING REGARDING AMENDMENTS (0 3) UPDATE CLIENT REGARDING STATUS (0 4)
DAR Y	12/13/02	0 50	WORK ON ISSUES REGARDING FCC LICENSES (0 1) STRATEGIC PLANNING AND COORDINATION RE SALE PROCESS (0 4)
DAR Y	12/14/02	2 10	REVIEW SCHEDULES FOR APPROPRIATE REDACTIONS FOR NEW POTENTIAL BIDDER REDACT AND DISTRIBUTE (2 1)
DAR Y	12/16/02	2 90	COORDINATE WITH ROPES & GRAY RE STATUS (0 4) UPDATE CHECKLIST REGARDING HEARING AND R&G STATUS (0 2) WORK ON NDA WITH POTENTIAL BIDDER (0 1) CALLS WITH CLIENT REGARDING COMPLIANCE (0 3) PREPARE AND DISTRIBUTE 5 4 AND 6 8 NOTICES (1 3) CALLS WITH MORRISON & FOERSTER REGARDING FCC FILINGS AND DELAYS (0 6)

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DAR Y	12/17/02	5 30	REDACT AND DISTRIBUTE SCHEDULES TO POTENTIAL BIDDER ( 2) DRAFT AND DISCUSS APA AMENDMENT REGARDING BPO (1 5) PREPARE SCHEDULES FOR POTENTIAL BIDDER ( 7) CORRESPOND WITH S BARRETT REGARDING POTENTIAL BIDDER (0 3) CONFERENCE CALL WITH CLIENT ROPES & GRAY ET AL REGARDING COMPLIANCE (1 5) 6 8 NOTICE DISTRIBUTION (0 5) DRAFT POTENTIAL BIDDER NDA CONSENT (0 6)
DAR Y	12/18/02	2 50	REVIEW BPO AND CORRESPOND WITH CLIENT AND LAZARD REGARDING PROCESS (1 3) PREPARE AND DISTRIBUTE 6 8 NOTICE (0 6) REDRAFT AND DISCUSS NDA CONSENT (0 6)
DAR Y	12/19/02	3 50	CALL WITH E HILL (0 3) CALL WITH A BORGGAARD REGARDING SCHEDULES (0 2) UPDATE AND DISTRIBUTE CHECKLIST (0 8) DISCUSS INTERNAL GENUITY RESPONSIBILITIES AND COMPLIANCE (0 3) COORDINATE PROCESS WITH ROPES & GRAY AND LAZARD (0 4) CALLS WITH A BORGGAARD REGARDING LITIGATION NDAS MISC UPDATES (0 6) SUPERVISE AND DISTRIBUTE 6 8 AND 2 8 NOTICES (0 6) COORDINATE DOCUMENT DISTRIBUTION TO CREDITOR COMMITTEE (0 3)
DAR Y	12/20/02	5 30	REVIEW AND COMMENT ON AMENDMENT (0 6) CONFERENCE CALL WITH WF&G AND GENUITY REGARDING AMENDMENT (0 3) PREPARE AND DISTRIBUTE NOTICES (0 6) CONFERENCE CALL WITH R&G (B WOODARD) RE SAME (0 3) CALL WITH E FONTANA (R&G) REGARDING MOTIONS (0 3) CALL WITH S AVRUCH RE STATUS (0 3) CORRESPOND WITH A BORGGAARD RE SAME (0 3) CORRESPOND WITH LAZARD RE SAME (0 4) STRATEGIC PLANNING RE SALE PROCESS (0 5) COORDINATE NDAS (0 4) REVIEW DRAFT MOTIONS RELATED TO SALE PROCESS (1 3)



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DAR Y	12/23/02	4 60	PREPARE FOR CONFERENCE CALL WITH CLIENT (0 6) CALL WITH A BORGGAARD RE STATUS (0 1) CONFERENCE CALL WITH S AVRUCH D MOYNIHAN A BORGGAARD D DEAMICIS OF ROPES & GRAY ET AL RE PROCESS (2 0) CALLS RE REJECTION MOTIONS WITH E FONTANA (0 3) CALLS WITH S AVRUCH RE SAME (0 3) CORRESPOND WITH CLIENT RE MOTIONS (0 2) REVIEW REJECTION ISSUES (0 2) WORK ON REDACTED SCHEDULES (0 3) PREPARE AND DISTRIBUTE NOTICES (0 2) WORK ON PLATINUM NDA (0 4)
DAR Y	12/24/02	6 10	REVIEW SCHEDULES FOR APPROPRIATE REDACTIONS FOR POTENTIAL BIDDERS (4 0) REVIEW 5 1 REJECTIONS ISSUE (0 7) CALL WITH M LEFKORT RE SAME (0 2) CALLS WITH A BORGGAARD RE SAME (0 2) CORRESPONDENCE WITH CLIENT RE ADDITIONAL BIDDERS (0 2) REVIEW AND CORRESPOND WITH R&G RE UCC (0 5) CALL WITH S AVRUCH RE CALL BLOCKING (0 3)
DAR Y	12/26/02	3 90	WORK ON 2 11(A) NOTICE (0 6) CONTINUE SCHEDULE REDACTIONS AND RELEVANT DISTRIBUTIONS (2 5) WORK ON IP CONSENTS (0 8)
DAR Y	12/27/02	0 50	WORK ON 2 11(A) REJECTION NOTICE (0 5)
DAR Y	12/30/02	6 20	PREPARE FOR CONFERENCE CALL WITH CLIENT (0 4) CALL WITH D DESCOTEAUX ON STATUS (0 2) CORRESPOND WITH CLIENT REGARDING REJECTION (0 3) CONFERENCE CALL WITH S AVRUCH B FEALING A BORGGAARD D DEAMICIS E FONTANA ET AL RE STATUS (2 5) WORK ON STRATEGY RE 2 11 PROCESS (0 5) REVIEW AND ANAIYZE NOTICE ISSUE (1 0) DISCUSS NOTICES WITH ROPES & GRAY (D DEAMICIS) (0 4) CORRESPOND WITH CLIENT REGARDING COMPLIANCE (0 3) WORK ON IP CONSENTS (0 6)
DAR Y	12/31/02	1 80	CONTINUE WORK RE NOTICES (0 6) WORK ON UPDATE RE IP CONSENTS (0 4) DRAFT AND PREPARE PERMIT TRANSFERS CONSENTS (0 8)

88 80

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DECICCO A	12/05/02	4 20	BEGAN COMPREHENSIVE REVIEW OF VENDOR CONTRACTS FOCUSING ON RENEWAL ASSIGNMENT AND IP PROVISIONS (4 2)
DECICCO A	12/06/02	11 20	FINISH COMPREHENSIVE REVIEW OF VENDOR CONTRACTS FOCUSING ON RENEWAL ASSIGNMENT AND IP PROVISIONS (11 2)
		15 40	
DERDERIAN JG	12/06/02	13 20	CONDUCT DUE DILIGENCE OF VENDOR CONTRACTS AT GENUITY HQ IN WOBURN MA (13 2)
DERDERIAN JG	12/16/02	4 10	REVIEW APA SCHEDULES AND LIST CONTRACTS INTO EXCEL MATRIX (4 1)
DERDERIAN JG	12/20/02	14 80	MANAGE AND REVIEW PROJECT RE EASEMENTS AND ORGANIZE AND DISTRIBUTE FINDINGS (14 8)
DERDERIAN JG	12/23/02	2 80	REVIEW RIGHTS-OF-WAY AND CREATE EXHIBIT LETTERS FOR DISTRIBUTION (2 8)
		34 90	
ENGELHARDT L	12/04/02	2 60	TELECONFERENCE WITH O HIDLEY RE JAPAN IRU AND OTHER CONTRACT QUESTIONS AND COORDINATION OF INFORMATION FLOW ( 8) ANALYZE CONTRACT QUESTIONS FROM O HIDLEY AND REVIEW ASSET PURCHASE AGREEMENT/SALE PAPERS RE SAME (1 8)
ENGELHARDT L	12/05/02	1 00	RESEARCH ISSUE OF ASSIGNING CONFIDENTIALITY AGREEMENTS (1 0)
ENGELHARDT L	12/06/02	1 90	REVIEW SCHEDULES FOR APA ( 3) COORDINATE SERVICE OF SALE PAPERS ( 5) REVIEW CONTRACT ISSUES RAISED BY O HIDLEY ( 7) RESEARCH ASSIGNABILITY OF CONFIDENTIALITY AGREEMENTS ( 4)
ENGELHARDT L	12/09/02	1 00	PREPARE AND SUPERVISE FILING OF SALE NOTICES TO ASSIST WITH TRANSITION (1 0)

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ENGELHARDT L	12/10/02	1 80	TRANSITION ASSISTANCE DISCUSS PREPARATION AND SERVICE OF BIDDING PROCEDURES NOTICES WITH DONLIN RECANO ( 8) CONTINUE TO COORDINATE PREPARATION OF CURE AMOUNTS FOR SAME ( 6) COORDINATE SERVICE OF SALE MOTION NOTICES ( 4)
ENGELHARDT L	12/11/02	6 00	TRANSITION ASSISTANCE WORK ON PREPARATION OF NOTICES FOR THE BID PROCEDURES ORDER (3 0) COORDINATE PREPARATION OF LISTS AND SUPERVISE DONLIN RECANO RE SAME (2 0) WORK ON APA SCHEDULES NOTICING ( 8) SUPERVISE AND REVISE NEW CONTACT LISTS ( 2)
ENGELHARDT L	12/12/02	5 50	TRANSITION ASSISTANCE SUPERVISE AND COORDINATE PREPARATION OF BID PROCEDURES NOTICES (3 9) TELECONFERENCE WITH D WALSH RE SAME ( 4) RESPOND TO QUESTIONS FROM GOVERNMENTAL AGENCIES RE SALE MOTION (1 2)
ENGELHARDT L	12/13/02	4 70	TRANSITION ASSISTANCE COORDINATE PREPARATION OF NOTICES FOR BID PROCEDURES ORDER (4 0) INCLUDING TELECONFERENCES WITH L FENG R HOWARD AND N ARNETT ( 7)
ENGELHARDT L	12/16/02	8 20	TRANSITION ASSISTANCE COORDINATE AND SUPERVISE ADDRESS COMPILATION FOR APA/BID PROCEDURES NOTICES (2 7) TELECONFERENCES WITH R HOWARD OF DONLIN RECANO RE SAME ( 9) COORDINATE COMPILATION OF SOFTWARE VENDOR LISTINGS RE SAME ( 8) COORDINATE ADDRESS COMPILATION FOR CONTRACT ASSUMPTION/REJECTION PROCEDURE NOTICES (3 0) TELECONFERENCE WITH O HIDLEY RE SAME ( 3) TELECONFERENCE WITH D WALSH AND ALVAREZ & MARSAL RE CURE AMOUNT SCHEDULES ( 5)

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ENGELHARDT L	12/17/02	10 20	TRANSITION ASSISTANCE TELECONFERENCE WITH GENUITY (L FENG J TAYLOR J F AND OTHERS) RE SOFTWARE SCHEDULE COMPILATION FOR ASSUMPTION/REJECTION PROCEDURES NOTICES ( 9) TELECONFERENCES WITH GENUITY (B BUTCHER T GREGORY T FRANKLIN R TABOR P WEBER J STEVENSON ET AL ) RE CROSS-MATCHING OF NOTICE ADDRESSES FOR ASSUMPTION/REJECTION PROCEDURES NOTICES (2 2) TELECONFERENCES WITH R HOWARD RE PREPARATION OF MAILING LISTS RE SAME (1 4) TELECONFERENCE WITH ROPES & GRAY (R MARTIN & R CHANDA) RE COMPILATION OF BID PROCEDURES NOTICES ( 4) TELECONFERENCE WITH R CHANDA RE DETAILS OF COMPILATION OF NOTICE LISTS COORDINATE INTERACTION WITH DONLIN RECANO ( 5) COORDINATE PUBLICATION OF AUCTION/SALE NOTICE ( 5) SUPERVISE PREPARATION OF SOFTWARE NOTICE LISTS (2 2) TELECONFERENCE WITH S AVRUCH RE NOTICING PROCESS ( 4) COORDINATE SIGN-OFF ON NOTICE LISTS WITH COMPANY ( 8) REVIEW DUPLICATIVE NOTICE ADDRESSES ( 9)
ENGELHARDT L	12/18/02	11 00	TRANSITION ASSISTANCE COORDINATE AND SUPERVISE COMPLETION OF NOTICE ADDRESSES FOR BID PROCEDURES NOTICES (4 3) REVIEW AND REVISE ADDRESS LISTS FOR BID PROCEDURES NOTICES (3 2) TELECONFERENCES REGARDING SAME WITH GENUITY TEAM FROM VENDOR MANAGEMENT (INCLUDING R TABOR J STEVENSON AND T FRANKLIN) ( 6) COORDINATE COMPILATION OF NOTICE ADDRESSES FOR CUSTOMER NOTICES (1 0) TELECONFERENCES WITH R HOWARD OF DONLIN RE SAME ( 7) TELECONFERENCES WITH GENUITY TEAM FROM A/R AND SALES RE SAME (1 2)

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ENGELHARDT L	12/19/02	7 80	TRANSITION ASSISTANCE COORDINATE COMPILATION OF NOTICE ADDRESSES FOR EXHIBITS C & E TO BID PROCEDURES ORDER AND REVIEW SAME (5 1) CONFERENCES WITH C BUTTS AND OTHERS AT GENUITY RE EXHIBIT C NOTICE ( 5) TELECONFERENCES WITH D GILES AT WILLKIE FARR RE REVIEW OF NOTICES AND NOTICE ADDRESSES ( 5) REVIEW TRANSCRIPT OF 12/16 HEARING AND COORDINATE DISTRIBUTION OF SAME ( 7) REVIEW BID PROCEDURES ORDER (1 0)
ENGELHARDT L	12/20/02	12 60	TRANSITION ASSISTANCE COORDINATE REVIEW OF EASEMENTS AND COMPILATION OF ADDRESSES FOR SAME (6 7) REVISE SAME (1 5) REVIEW 12/17 HEARING TRANSCRIPT AND COORDINATE DISTRIBUTION OF SAME ( 4) REVIEW NOTICE ADDRESS FILES AND REVISE SAME (1 7) DISCUSS AND INCORPORATE WILLKIE FARR COMMENTS INTO NOTICE FILES FOR EXHIBITS C & E ( 8) DRAFT MEMO TO FILES RE NOTICING PROCESS ( 5) DRAFT LETTER TO DONLIN RE SERVICE (1 0)
ENGELHARDT L	12/21/02	0 20	TRANSITION ASSISTANCE TELECONFERENCE WITH R HOWARD RE STATUS OF BID PROCEDURES MAILING & RELATED ISSUES ( 2)
ENGELHARDT L	12/22/02	0 20	TRANSITION ASSISTANCE TELECONFERENCE WITH R HOWARD RE ISSUES RELATED TO MAILING OF EX E & C NOTICES TO BID PROCEDURES ORDER ( 2)
ENGELHARDT L	12/23/02	3 90	TRANSITION ASSISTANCE COORDINATE MAILING OF NOTICES WITH DONLIN RECANO ( 7) COORDINATE COMPILATION OF NOTICES FOR RIGHTS-OF-WAY COUNTERPARTIES ( 7) REVIEW BID PROCEDURES ORDER RE QUESTIONS FROM A BORGGAARD & REPLY TO SAME ( 5) CONFERENCE CALL WITH ROPES & GRAY (D DEAMICIS) GENUITY (A BORGGAARD D MOYNIHAN S AVRUCH) RE RESPONSIBILITIES FOR REQUIREMENTS UNDER ASSET PURCHASE AGREEMENT AND NOTICING REQUIRED UNDER BID PROCEDURES ORDER (2 0)

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ENGELHARDT L	12/27/02	1 50	TRANSITION ASSISTANCE CONFERENCE CALL RE COMPLIANCE WITH BID PROCEDURES ORDER WITH S AVRUCH D DEAMICIS A BORGGAARD O HIDLEY ET AL (1 5)
ENGELHARDT L	12/30/02	6 00	TRANSITION ASSISTANCE CONFERENCE CALL RE REJECTION/ASSUMPTION PROCEDURES AND NOTICING OF BID PROCEDURES ORDER (S AVRUCH O HIDLEY A BORGGAARD D DEAMICIS ET AL ) (2 0) REVIEW BID PROCEDURES ORDER & FORM NOTICES TO PREPARE FOR CONFERENCE CALL (1 0) COORDINATE NOTICING OF PARTIES IDENTIFIED ON SCHEDULE SUPPLEMENT (2 5) TELECONFERENCE WITH R CHANDA RE SAME ( 2) TELECONFERENCE WITH DONLIN RECANO RE SAME ( 3)
ENGELHARDT L	12/31/02	0 50	TRANSITION ASSISTANCE COORDINATE NOTICING OF PARTIES ON SUPPLEMENT TO SCHEDULES ( 5)
		86 60	
EPSTEIN J	12/05/02	6 50	RESEARCH ON ASSIGNMENT OF CONFIDENTIALITY AGREEMENTS UNDER 2ND CIRCUIT LAW (6 5)
EPSTEIN J	12/16/02	7 80	WORKING ON APA NOTICE LIST (7 8)
EPSTEIN J	12/18/02	9 50	TRANSITION ASSISTANCE UPDATING NOTICE LISTS FOR 363 SALE (9 5)
EPSTEIN J	12/19/02	2 50	TRANSITION ASSISTANCE WORK ON NOTICING PARTIES FOR 363 SALE (2 5)
EPSTEIN J	12/20/02	2 50	TRANSITION ASSISTANCE WORK ON NOTICING EASEMENT HOLDERS RE SALE (2 5)
		28 80	
GEISLER ML	12/18/02	8 70	TRANSITION ASSISTANCE RESEARCH AND PREPARE NOTICE LIST FOR BID PROCEDURES (8 7)
GEISLER ML	12/19/02	5 00	TRANSITION ASSISTANCE CONTINUE TO WORK ON NOTICE LIST FOR BID PROCEDURES INCLUDING COMPILING LIST OF MISSING INFORMATION AND PREPARING MEMO DETAILING RESEARCH PROCEDURES IN COMPILING LISTS (5 0)

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GEISLER ML	12/30/02	4 20	TRANSITION ASSISTANCE CONTINUE TO WORK ON NOTICE LIST AND MATCH ATTORNEYS WITH APPLICABLE VENDOR/CONTRACT (4 2)
GEISLER ML	12/31/02	0 70	CONTINUE TO WORK ON NOTICE LIST AND FINISH CHART MATCHING ATTORNEYS ADDRESS TO VENDOR/CONTRACT ( 7)
		18 60	
HOFF CL	12/08/02	2 40	REVIEW OF CUSTOMER ISSUES RE LEVEL 3 ASSET PURCHASE AGREEMENT PROCEDURES (2 4)
HOFF CL	12/10/02	1 40	REVIEW AND ANALYZE SECTION 5 1 OF ASSET PURCHASE AGREEMENT (1 4)
HOFF CL	12/11/02	3 60	RESPONDED TO QUESTIONS OF S AVRUCH O HIDLEY AND M MAGETERRI RE PROCEDURES FOR LEVEL 3 DEAL (3 6)
HOFF CL	12/13/02	6 40	GATHERED AND TRANSFERRED DOCUMENTS TO R MARTIN AS PART OF TRANSITION (4 2) TELEPHONE CALLS FROM V D AGOSTINO RE BID PROCEDURES ( 4) TELEPHONE CALLS TO W MCCARTHY RE SAME ( 3) WORK ON REGULATORY ISSUES RE ASSET PURCHASE AGREEMENT (1 5)
HOFF CL	12/16/02	2 10	REVIEWED SECTION 5 1 OF ASSET PURCHASE AGREEMENT RE LEVEL 3 FILTER (2 1)
HOFF CL	12/19/02	1 60	DAILY CONFERENCE CALL WITH D DEAMICIS S AVRUCH AND O HIDLEY RE TRANSITION ISSUES RE SALE (1 6)
HOFF CL	12/20/02	1 20	WORK RE TRANSITION OF PRECEDENT TO ROPES & GRAY RE ASSET SALES (1 2)
		18 70	
HURST DR	12/01/02	2 10	PREPARE BACKUP MATERIALS REGARDING SALE PLEADINGS FOR 12/2 HEARING (2 1)
HURST DR	12/02/02	1 20	WORK ON ISSUES RE COMPANY SALE PLEADINGS AND SERVICE OF SAME (1 2)

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HURST DR	12/03/02	2 30	REVIEW AND PROVIDE COMMENTS ON ASSET PURCHASE AGREEMENT TIMELINE ( 8) CONTINUE TO WORK ON ISSUES RE SERVICE OF COMPANY SALE PLEADINGS (1 1) REVIEW HSR FILINGS RELATED TO SALE ( 4)
HURST DR	12/04/02	1 50	DRAFT SUPPLEMENTAL SALE NOTICE ( 4) CONTINUE TO WORK ON ISSUES RE SERVICE OF SALE PLEADINGS ( 5) PREPARE SALE PLEADINGS FOR SERVICE AND SUPERVISE SAME ( 6)
HURST DR	12/05/02	4 60	PHONE CONF W/ O HIDLEY ET AL RE VARIOUS CONTRACT ISSUES INCLUDING IMPLICATIONS OF ASSET PURCHASE AGREEMENT ( 7) REVIEW AND ANALYZE VARIOUS COMMUNICATIONS RE SAME ( 6) ADDITIONAL WORK RE SAME (1 6) WORK ON ISSUES RE ASSIGNMENT OF CONFIDENTIALITY AGREEMENTS UNDER ASSET PURCHASE AGREEMENT ( 6) REVIEW VARIOUS PROVISIONS OF ASSET PURCHASE AGREEMENT REGARDING RESTRICTIONS ON OPERATION OF BUSINESS (1 1)
HURST DR	12/06/02	1 30	WORK ON ISSUES RE PAYMENT OF TAXES UNDER ASSET PURCHASE AGREEMENT ( 7) PHONE CONF W/ O HIDLEY RE PAYMENTS UNDER PERSONAL PROPERTY LEASES AND FOLLOWUP RE SAME ( 6)
HURST DR	12/09/02	0 90	TRANSITION ASSISTANCE PHONE CONF W/ D FELDMAN RE SALE HEARING DATES ( 2) PHONE CONF W/ J LONGMIRE RE SAME ( 1) REVISE SALE MOTION NOTICE ( 5) DRAFT CORRESPONDENCE TO J LONGMIRE RE SAME ( 1)
HURST DR	12/10/02	4 40	TRANSITION ASSISTANCE PREPARE FOR CONFERENCE CALL RE ASSET PURCHASE AGREEMENT AND OTHER SALE-RELATED MATTERS (1 8) PARTICIPATE ON CALL WITH COMPANY FINANCIAL ADVISORS AND ALTERNATIVE POTENTIAL PURCHASER ( 8) WORK ON ISSUES RE SERVICE OF VARIOUS SALE NOTICES (1 8)



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HURST DR		12/11/02	2 60	TRANSITION ASSISTANCE WORK ON ISSUES RE SERVICE OF VARIOUS SALE NOTICES (2 1) PHONE CONF W/ M HANDLER RE SALE RELATED ISSUES INCLUDING NOTICE PROCESS ( 3) PHONE CONF W/ D SUDOCK RE SCHEDULES TO ASSET PURCHASE AGREEMENT ( 2)
HURST DR		12/13/02	1 80	TRANSITION ASSISTANCE CONTINUE TO WORK ON ISSUES RE SALE NOTICES (1 8)
HURST DR		12/16/02	2 70	TRANSITION ASSISTANCE REVISE SALE RELATED NOTICES (1 2) DRAFT CORRESPONDENCE TO R MARTIN RE SAME ( 1) CONTINUE TO WORK ON NOTICE ISSUES (1 4)
HURST DR		12/17/02	2 20	TRANSITION ASSISTANCE CONTINUE TO WORK ON ISSUES RE ASSET SALE NOTICES (1 8) PHONE CONF W/ R MARTIN ET AL RE SAME ( 4)
HURST DR		12/23/02	4 10	PREPARE FOR AND PARTICIPATE IN CONFERENCE CALL WITH REPRESENTATIVES OF COMPANY ROPES & GRAY RE ASSUMPTION AND ASSIGNMENT OF CONTRACTS UNDER ASSET PURCHASE AGREEMENT (4 1)
			31 70	
HUTCHINSON JR	HL	12/16/02	7 00	REVIEW APA FOR CONTRACT REFERENCES AND SERVICE NOTICE ADDRESSES (7 0)
HUTCHINSON JR	HL	12/17/02	8 10	COMPILE NOTICE ADDRESSES FOR SOFTWARE/LICENSE VENDORS (8 1)
HUTCHINSON JR	HL	12/18/02	12 90	COMPILE NOTICE ADDRESSES FOR SOFTWARE/LICENSE VENDORS MATCH RECORD NUMBERS TO SOFTWARE/LICENSE VENDORS FROM MATRIX AND SEARCH FOR MISSING NOTICE ADDRESSES (12 9)
HUTCHINSON JR	HL	12/19/02	10 20	CONTINUE REVISION OF NOTICE ADDRESSES FROM SOFTWARE/LICENSE VENDORS LIST AND MATCHING RECORD NUMBERS (10 2)
HUTCHINSON JR	HL	12/20/02	9 70	REVIEW EASEMENT AGREEMENTS FOR NOTICE ADDRESSES (9 7)
			47 90	
JANIS DT		12/02/02	7 70	REVIEW VENDOR CONTRACTS FOR DUPLICATES IN CONNECTION WITH APA (7 7)

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JANIS DT	12/04/02	12 20	BEGAN REVIEW OF VENDOR CONTRACTS FOR RENEWAL AND PROVISIONS REQUIRING ACTION BETWEEN SIGNING AND CLOSING OF ASSET PURCHASE AND SALE AGREEMENT (12 2)
JANIS DT	12/06/02	11 80	COMPLETE REVIEW OF VENDOR CONTRACTS FOR RENEWAL PROVISIONS REQUIRING ACTION BETWEEN SIGNING AND CLOSING AND FOR PROVISIONS REGARDING ASSIGNMENT OF INTELLECTUAL PROPERTY (11 8)
JANIS DT	12/07/02	3 00	BEGIN TO CREATE SUMMARY OF RELEVANT VENDOR RENEWAL AND INTELLECTUAL PROPERTY CLAUSES (3 0)
JANIS DT	12/08/02	2 00	CONTINUE TO CREATE SUMMARY OF RELEVANT VENDOR RENEWAL PROPERTY CLAUSES (2 0)
JANIS DT	12/09/02	7 90	SEARCH SEC FILINGS FOR REDACTED VERSIONS OF CERTAIN VENDOR CONTRACTS (2 1) FINALIZE SUMMARY OF VENDOR CONTRACT RENEWAL AND IP PROVISIONS (2 8) PREPARED VENDOR CONTRACTS FOR REVIEW BY POSSIBLE BUYERS (3 0)
JANIS DT	12/10/02	7 60	PREPARE INTELLECTUAL PROPERTY CONTRACTS FOR DUPLICATION FOR NEW DATA ROOM (1 9) PREPARED VENDOR CONTRACTS AND ARRANGED DATA ROOM FOR REVIEW BY NEW POTENTIAL BUYER (5 7)
JANIS DT	12/12/02	0 90	CREATE TABLE COMPARING VENDOR IP LIST CREATED BY SKADDEN TO IP LIST CREATED BY ALVAREZ ACCOUNTING AND RESEARCH MISSING ENTRY TO CUSTOMER LIST ( 9)
JANIS DT	12/18/02	5 20	COMPILE LIST OF IP VENDORS REQUIRING SERVICE INFO (5 2)
JANIS DT	12/30/02	6 40	COMPILE VENDOR CONTRACT INFORMATION FOR USE IN INTELLECTUAL PROPERTY CONSENT LETTER (6 4)
JANIS DT	12/31/02	2 20	CONTINUE TO COMPILE VENDOR CONTRACT INFORMATION FOR USE IN INTELLECTUAL PROPERTY CONSENT LETTER (2 2)
		66 90	
JOHNSON I	12/13/02	3 60	CONDUCT RESEARCH ON WHOLESALE DIAL-UP INTERNET MARKET (3 6)

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JOHNSON I	12/15/02	0 70	RESPOND TO QUESTIONS FROM CLIENT RE INTERNET MARKET ( 7)
JOHNSON I	12/16/02	0 80	CONDUCT RESEARCH ON WHOLESALE DIAL-UP INTERNET MARKET ( 3) DISCUSS ISSUE WITH AND ASK QUESTIONS OF CLIENT ( 2) DRAFT MEMO ON RESULTS OF RESEARCH ( 3)
JOHNSON I	12/17/02	7 30	ANALYZE RESPONSES TO QUESTIONS BY CLIENT ( 9) CONDUCT RESEARCH ON WHOLESALE INTERNET MARKET (3 6) DRAFT MEMO REGARDING RESULTS OF RESEARCH (1 7) PREPARE FOR AND ATTEND CONFERENCE CALL WITH CLIENTS RE SAME (1 1)
JOHNSON I	12/18/02	2 40	ANALYZE ADDITIONAL RESPONSES TO QUESTIONS BY CLIENT ( 8) CONDUCT RESEARCH ON ADDITIONAL MARKETS POTENTIALLY IMPACTED BY ACQUISITION (1 6)
JOHNSON I	12/19/02	4 10	REVIEW MATERIALS ON WHOLESALE INTERNET MARKET AND COMPLETE MEMO CONTAINING RESULTS OF RESEARCH (4 1)
JOHNSON I	12/20/02	2 80	REVIEW AND WORK ON ANALYSIS FROM ACQUIRING COMPANY S COUNSEL (1 3) PREPARE FOR AND ATTEND CONFERENCE CALL WITH CLIENTS RE SAME ( 8) PREPARE E-MAIL CONTAINING ANALYSIS OF ANTITRUST ISSUES FOR ACQUIRING COMPANY S COUNSEL ( 7)
		21 70	
LUNDREGAN WJ	12/02/02	5 40	TELEPHONE CALL WITH A BORGGAARD RE HSR AND ANTITRUST CONCERNS ( 8) REVIEW GUN JUMPING MEMO AND RELATED MEMO FOR TELEPHONE CALL WITH A BORGGAARD ( 8) REVIEW NDA S AND REVISE FORM NDA FOR USE IN BIDDING (1 5) VARIOUS CALLS WITH LAZARD FRERES RE NDA S AND BIDDING PROCEDURES AND COMPLIANCE WITH SECTION 6 8 OF ASSET PURCHASE AGREEMENT ( 8) VARIOUS TELEPHONE CALLS WITH A BORGGAARD RE NDA S AND RELATED MATTFRS ( 2) CORRESPONDENCE TO LEVEL 3 GENERAL COUNSEL RE LAZARD DISCUSSIONS WITH BIDDERS (AS REQD BY SECTION 6 8 OF ASSET PURCHASE AGREEMENT ( 5) REVIEW HSR FILING ( 8)

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LUNDREGAN WJ	12/03/02	3 20	TELEPHONE CALL TO A BORGGAARD RE AMENDMENT TO CONFIDENTIAL AGREEMENT ( 1) REVIEW ASSET PURCHASE AGREEMENT AND CONFIDENTIALITY AGREEMENT ( 6) DRAFT AMENDMENT NO 1 TO CONFIDENTIALITY AGREEMENT TO RESTRICT REVIEW OF PRICE-SENSITIVE INFORMATION BY LEVEL 3 (1 5) REVIEW REVISED HSR FILING RE BANKRUPTCY DESCRIPTION ( 8) TELEPHONE CALL TO D DESCOTEUX AT LAZARD FRERES RE NDA S AND RELATED MATTERS ( 2)
LUNDREGAN WJ	12/04/02	1 00	WORK ON HSR FILING AND RELATED MATTERS ( 4) DRAFT NOTICE TO LEVEL 3 RE OTHER BIDDERS PER SECTION 6 8 OF THE ASSET PURCHASE AGREEMENT ( 6)
LUNDREGAN WJ	12/05/02	2 20	VARIOUS TELEPHONE CALLS WITH M MAGETTERRI RE SECTION 5 1 OF THE ASSET PURCHASE AGREEMENT ( 3) REVIEW SECTION 5 1 OF THE ASSET PURCHASE AGREEMENT PER TELEPHONE CALL WITH GENUITY ( 5) REVIEW NDA FROM POTENTIAL BIDDER ( 2) TELEPHONE CALL WITH D DESCOTEUX (LAZARD FRERES) RE POTENTIAL BIDDER NDA AND RELATED MATTERS ( 1) ANALYSIS RE BANKRUPTCY PROCEDURES AND BIDDING PROCEDURES ( 1) TELEPHONE CALL WITH POTENTIAL BIDDER RE NDA ( 4) TELEPHONE CALL WITH E JOHNSON (LAZARD FRERES) RE POTENTIAL BIDDER NDA ( 1) REVIEW AND COMMENT ON CONSENT FOR IP TRANSFERS ( 5)
LUNDREGAN WJ	12/07/02	1 10	TELEPHONE CALL A BORGGAARD D DESCOTEUX D O BRIEN AND L SCHWARTZ REGARDING BIDDING PROCESS AND RELATED MATTERS ( 9) ANALYSIS REGARDING SCHEDULES TO ASSET PURCHASE AGREEMENT AND RELATED MATTERS ( 1) REVIEW SCHEDULES TO ASSET PURCHASE AGREEMENT FOR TELEPHONE CALL ( 1)

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LUNDREGAN WJ	12/09/02	1 90	TELEPHONE CALL TO G TOBIAS AT POTENTIAL BIDDER REGARDING NDA ( 3) REVIEW POTENTIAL BIDDER NDA REVISE AND DISTRIBUTE TO G TOBIAS ( 5) TELEPHONE CALL WITH M MAGETTERRI AT GENUITY REGARDING SECTION 5 1 OF ASSET PURCHASE AGREEMENT AND RELATED MATTERS ( 2) REVIEW QUESTIONS FROM M MAGETTERRI ON SECTION 5 1 PREPARE ADVICE ( 7) TELEPHONE CALL WITH A BORGGAARD REGARDING ADVICE TO M MAGETTERRI ( 1) REVIEW NDAS TO ADDITIONAL BIDDERS ( 1)
LUNDREGAN WJ	12/10/02	2 80	TELEPHONE CALL WITH A BORGGAARD L SCHWARTZ D DESCOTEAUX AND POTENTIAL BIDDER REGARDING ASSET PURCHASE AGREEMENT AND RELATED MATTERS (1 3) TELEPHONE CALL WITH A BORGGAARD REGARDING ASSET PURCHASE AGREEMENT AND RELATED MATTERS ( 2) TELEPHONE CALL WITH M MAGETTERRI REGARDING SECTION 5 1 OF ASSET PURCHASE AGREEMENT ( 2) TELEPHONE CALL WITH POTENTIAL BIDDER REGARDING NDA ( 1) REVIEW ASSET PURCHASE AGREEMENT FOR TELECONFERENCE WITH POTENTIAL BIDDER (1 0)
LUNDREGAN WJ	12/11/02	7 30	WORK ON STRATEGY ISSUES RELATING TO APA AND BANKRUPTCY AND IN CONNECTION WITH TRANSITION OF SUBSTANTIVE BANKRUPTCY ROLE AND R&G (0 5) MEETINGS AT ROPES AND GRAY TO DISCUSS PROPOSED TRANSACTION WITH L3 AND RELATED MATTERS (2 2) REVIEW AND REVISE DRAFT AMENDMENT TO APA RELATING TO FCC LICENSES (1 5) PHONE DISCUSSIONS WITH B MCCARTHY REGARDING CREDITORS COMM ISSUES ON BIDDING PROCEDURES AND OTHER ITEMS TO BE DISCUSSED AT MEETING (0 5) ANALYSIS REGARDING CONF AGREEMENT FOR CREDITORS COMM AND STRATEGY VIS-A-VIS CREDITORS COMM ON AGENDA ITEMS (0 4) WORK ON ISSUES RE POTENTIAL BIDDER CONF AGREEMENT (0 3) REVIEW NDA WITH POTENTIAL BIDDER ( 5) REVISE NDA FOR POTENTIAL BIDDER DISTRIBUTE ( 6) REVIEW AND REVISE FCC CONSENT ( 8)

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LUNDREGAN WJ

12/12/02

5 20

TELEPHONE CALL WITH C TRITT AT MORRISON & FOERSTER REGARDING FCC LICENSE FILING ( 1) TELEPHONE CALL WITH J NEIL AT MORRISON & FOERSTER REGARDING FCC AMENDMENT ( 2) TELEPHONE CALL WITH M LEFKORT AT WILLKIE FARR REGARDING FCC AMENDMENT AND SECTION 5 1 CONSENT ( 3) DRAFT CONSENT TO DELAY FILING FCC APPLICATION AND FORWARD TO WILLKIE FOLLOW UP WITH WILLKIE FARR ( 2) TELEPHONE CALL WITH POTENTIAL BIDDER REGARDING NDA ( 3) REVIEW POTENTIAL BIDDER COMMENTS TO NDA AND REVISE NDA ( 1 0) REVIEW AND REVISE NDA FOR CREDITORS COMMITTEE ( 1 0) TELEPHONE CALL WITH S AVRUCH AT GENUITY REGARDING SECTION 5 1 OF APA ( 6) TELEPHONE CALL WITH M MAGETTERRI AT GENUITY REGARDING SECTION 5 1 OF ASSET PURCHASE AGREEMENT ( 1) REVIEW AND REVISE FCC AMENDMENT PER TELEPHONE CALL WITH WILLKIE FARR AND TELEPHONE CALL WITH MORRISON & FOERSTER ( 1 1) REVIEW SECTION 5 1 CONSENT PER TELEPHONE CALL WITH WILLKIE FARR ( 3)

LUNDREGAN WJ

12/13/02

3 50

REVISE POTENTIAL BIDDER NON-DISCLOSURE AGREEMENT AND DISTRIBUTE TO POTENTIAL BIDDER ( 5) REVISE POTENTIAL BIDDER NON-DISCLOSURE AGREEMENT AND DISTRIBUTE ( 4) TELEPHONE CALL WITH GENUITY REGARDING SECTION 5 1 OF ASSET PURCHASE AGREEMENT ( 1 0) REVIEW SCHEDULES TO ASSET PURCHASE AGREEMENT IN ANTICIPATION OF DISTRIBUTION TO POTENTIAL BIDDER ( 1 1) TELEPHONE CALL WITH A BORGGAARD REGARDING FCC CONSENT ( 2) REVISE FCC CONSENT SCHEDULES PER TELEPHONE CALL AND DISTRIBUTE TO MORRISON & FOERSTER ( 3)

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LUNDREGAN WJ	12/16/02	2 90	TELEPHONE CALL WITH POTENTIAL BIDDER ( 3) REVISE POTENTIAL BIDDER NDA ( 7) TELEPHONE CALL WITH GENUITY REGARDING SECTION 5 1 ( 5) TELEPHONE CALL WITH J NEAL AT MORRISON & FOERSTER REGARDING FCC APPLICATION FILING ( 2) CORRESPOND WITH WILLKIE FARR REGARDING EXTENSION TO FCC FILING ( 2) REVIEW AND REVISE AMENDMENT TO ASSET PURCHASE AGREEMENT AND DISTRIBUTE TO WILLKIE FARR (1 0)
LUNDREGAN WJ	12/17/02	3 60	TELEPHONE CALL WITH GENUITY REGARDING SECTION 5 1 (1 1) TELEPHONE CALL WITH GENUITY REGARDING SECTION 5 1 AND RELATED MATTERS (1 5) REVISE NDA FOR POTENTIAL BIDDER AND TELEPHONE CALL WITH POTENTIAL BIDDER RE SAME (1 0)
LUNDREGAN WJ	12/23/02	2 00	TELEPHONE CALL WITH S AVRUCH D MOYNIHAN A BORGGAARD D DEAMICIS REGARDING PROCEDURES SURROUNDING CLOSING (2 0)
LUNDREGAN WJ	12/27/02	1 00	TELEPHONE CALL WITH A BORGGAARD AT GENUITY REGARDING TIME WARNER/AOL CONTRACT (0 4) REVIEW ASSET PURCHASE AGREEMENT AT REQUEST OF A BORGGAARD FOR ARTICLE II ISSUES (0 6)
LUNDREGAN WJ	12/30/02	2 50	TELEPHONE CALL WITH A BORGGAARD (GENUITY) S AVRUCH (GENUITY) D DEAMICIS (ROPES & GRAY) REGARDING ASSUMPTION/REJECTION OF CONTRACTS IN BANKRUPTCY PER ASSET PURCHASE AGREEMENT (2 5)
		45 60	
<b>Total Associate</b>		<b>581 10</b>	
GRIMM D	12/04/02	7 40	ASSEMBLE ASSET PURCHASE AGREEMENT VELOBOUND ( 9) REVIEW/REVISE THE ASSET PURCHASE AGREEMENT VELOBOUND (1 1) ASSEMBLE ASSET PURCHASE AGREEMENT VELOBOUND COPIES FOR DISTRIBUTION (2 6) PREPARE DISTRIBUTION OF EMPLOYMENT AGREEMENTS (2 8)
GRIMM D	12/06/02	1 40	PREPARE DISTRIBUTION OF SCHEDULES TO POTENTIAL BIDDERS (1 4)
GRIMM D	12/07/02	4 10	PREPARE DISTRIBUTION OF SCHEDULES AND EMPLOYEE AGREEMENTS (4 1)

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GRIMM D	12/19/02	4 30	PREPARE DISTRIBUTION OF CUSTOMER AND VENDOR LISTS TO PURCHASER (4 3)
		<b>17 20</b>	
MAYER DA	12/02/02	6 00	ASSIST W/ FILING OF HART-SCOTT-RODINO SUBMISSION (6 0)
		<b>6 00</b>	
ROWLEY SR	12/02/02	6 30	ASSIST W/ FILING OF HART SCOTT RODINO (6 3)
ROWLEY SR	12/03/02	5 80	ASSIST W/ FILING OF HART SCOTT RODINO (5 8)
ROWLEY SR	12/04/02	7 50	ASSIST W/ FILING OF HART SCOTT RODINO (7 5)
ROWLEY SR	12/05/02	3 40	ASSIST W/ FILING OF HART SCOTT RODINO (3 4)
ROWLEY SR	12/06/02	3 20	ASSIST W/ FILING OF HART SCOTT RODINO (3 2)
ROWLEY SR	12/16/02	0 20	PREPARE DISTRIBUTION OF HSR WAITING PERIOD LETTER ( 2)
		<b>26 40</b>	
<b>Total Legal Assistant</b>		<b>49 60</b>	
KAICHER DC	12/02/02	5 40	ORGANIZE/INDEX PEERING AGREEMENTS (1 5) PROOFREAD VENDOR LIST (1 9) COORDINATE VENDOR CONTRACT COPYING PROJECT (2 0)
KAICHER DC	12/03/02	5 00	MANAGE DATA ROOM (5 0)
KAICHER DC	12/04/02	5 80	MANAGE DATA ROOM (5 8)
KAICHER DC	12/05/02	5 50	ORGANIZE/INDEX CUSTOMER CONTRACTS (2 5) CROSS-REFERENCE LIST OF TOP 100 CUSTOMERS IN DATA ROOM WITH LIST OF TOP 100 ORIGINALS TO ENSURE ACCURACY OF LIST (2 5) FINISH NUMBERING PEERING AGREEMENTS (0 5)
KAICHER DC	12/06/02	5 70	COORDINATE RELOCATION OF DATA ROOM AND ASSIST CLIENT IN RELOCATION OF DATA ROOM (0 2) ORGANIZE/INDEX NEW COPIES OF VENDOR CONTRACTS (2 3) PROOFREAD VENDOR AND CUSTOMER LISTS AND CROSS-REFERENCE THEM WITH DATA ROOM BOXES (2 0) COORDINATE COPYING OF ENVIRONMENTAL REPORTS WITH VENDOR (1 2)



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KAICHER DC	12/09/02	7 60	ORGANIZE/INDEX COPY SETS OF VENDOR CONTRACTS (7 6)
KAICHER DC	12/10/02	6 50	ORGANIZE/INDEX COPIES OF VENDOR CONTRACTS (6 5)
KAICHER DC	12/11/02	7 40	ORGANIZE/INDEX COPIES OF VENDOR CONTRACTS (7 4)
KAICHER DC	12/12/02	8 30	ORGANIZE/INDEX LEASES AND IP MATERIALS (4 8) RE-FILE ORIGINAL IP MATERIALS (1 0) COORDINATE SHIPMENT OF IP MATERIALS AND LEASES TO DATA ROOM (1 5) RESPOND TO DILIGENCE REQUEST FROM POTENTIAL BIDDER (1 0)
KAICHER DC	12/13/02	6 20	ORGANIZE/INDEX IP AGREEMENTS AND COORDINATE MOVING THEM TO DATA ROOM (3 1) ORGANIZE AND INDEX LEASES AND COORDINATE MOVING THEM TO DATA ROOM (3 1)
KAICHER DC	12/16/02	6 50	ORGANIZE/INDEX CUSTOMER AGREEMENTS (1 0) SEARCH FOR DUPLICATES AND ELIMINATE THEM (3 0) ORGANIZE LAW LIBRARY AND DISCARD EXTRA COPIES OF CONTRACTS AND EXTRANEIOUS MATERIALS (2 5)
KAICHER DC	12/17/02	5 00	ORGANIZE/INDEX AND COMPILE LIST OF ALL TELECOM CONTRACTS (2 5) COMPILE LIST OF ALL CUSTOMER CONTRACTS FOR APA PROCESS (2 5)
KAICHER DC	12/18/02	0 50	PREPARE DISTRIBUTION OF PLEADINGS TO ROSS MARTIN AT ROPES & GRAY BY HAND DELIVERY (0 5)
KAICHER DC	12/26/02	0 40	COORDINATE PROCEDURES RE OBTAINING BILLING ADDRESSES FOR STATE AND LOCAL GOVERNMENTS AND DISCUSS WITH CLIENT PROCEDURES FOR FINDING NOTICE ADDRESSES (0 2) RETURN CLIENT S VOICE MAILS REGARDING BILLING ADDRESSES (0 2)
KAICHER DC	12/27/02	0 50	COORDINATE PROCEDURES RE ORGANIZATION OF BILLING ADDRESSES FOR STATE AND LOCAL GOVERNMENTS ( 5)
KAICHER DC	12/30/02	7 50	OBTAIN INFORMATION RE BILLING ADDRESSES FOR STATE AND LOCAL GOVERNMENTS AND SEARCH THROUGH LOTUS NOTES DATA BASE FOR MOST RECENT PURCHASE ORDERS (6 0)

83 80

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MURPHY TG	12/20/02	7 00	ASSIST W/ DOCUMENT ASSEMBLY OF EASEMENT CHART (7 0)
		7 00	
SALKIND JA	12/20/02	7 00	ASSIST W/ DRAFTING OF EASEMENT ADDRESSES SPREADSHEET (7 0)
		7 00	
Total Legal Assist Support		97 80	
MATTER TOTAL		<u>845 50</u>	

SKADDEN ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
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Genuity, Inc (DIP)  
 Business Operations

Bill Date 01/08/03  
 Bill Number: 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	11/27/02	0 40	CONF CALLS WITH U S TRUSTEE ON RETENTION AND FIRST DAY PLEADINGS ( 4)
DAVIS EM	11/30/02	0 60	WORK ON CASH MANAGEMENT PRESENTATION ( 3) CALLS RESPONDING TO QUESTIONS FROM COMPANY ON TIMING OF REOPENING SYSTEM ( 3)
DAVIS EM	12/01/02	2 40	PREP FOR FIRST DAY HEARING ON EMPLOYEE MOTION (DIRECT AND CROSS RE SEVERANCE PROGRAM) ( 9) PREP FOR CRITICAL VENDOR AND FOREIGN VENDOR MOTIONS AND REVIEW E-MAIL CORRESPONDENCE ON SAME (1 1) WORK ON PRESENTATION RE CASH MGMT ( 4)
DAVIS EM	12/02/02	10 60	TRAVEL TO NYC AND PREP ON TRAIN FOR FIRST DAY PAPER PRESENTATION (1 7) PREP WITNESSES FOR CRITICAL VENDOR AND FOREIGN VENDOR PRESENTATION IF NECESSARY (1 2) PREP WITNESSES FOR EMPLOYEE SEVERANCE PRESENTATION AND PREP ARGUMENT ON SAME (3 5) ATTEND FIRST DAY HEARING AND SUBSEQUENT FOLLOW-UP MATTERS ARISING FROM SAME (4 2)
		14 00	
HENRY S	11/27/02	1 80	WORK RE PROTOCOLS FOR OPERATING CONSISTENT WITH THE APA AND THE GUIDELINES FOR DEBTOR-IN-POSSESSION ( 9) MEET WITH P GUDONIS RE FILING ( 1) MEET WITH BUTTS AND AVRUCH RE VENDOR ISSUES AND FOLLOW UP ( 8)
HENRY S	11/29/02	12 80	READ PRECEDENTIAL DECISIONS AND TRANSCRIPT RELEVANT TO ISSUES (8 0) REVISIONS TO PROFFERS FOR MOTIONS TO BE HEARD ON MONDAY (4 8)
HENRY S	12/01/02	5 60	PREPARING FOR HEARINGS BY REVIEWING PLEADINGS AND OUTLINING ARGUMENTS AND PREPARING FOLLOW-UP QUESTIONS FOR COMPANY PRIOR TO HEARINGS (5 6)

**SKADDEN ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

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HENRY S	12/02/02	7 20	WORK ON PREPARATIONS FOR NUMEROUS MOTIONS AND PROFFERS AND WITNESSES TO PRESERVE BUSINESS OPERATIONS (2 9) ATTEND FIRST DAY HEARINGS AND MEETINGS IN PREPARATION THEREFOR (3 4) DISCUSSIONS WITH OFFICE OF U S TRUSTEE RE CHANGES TO ORDERS AND MATTERS FOR HEARING ( 9)
HENRY S	12/03/02	2 10	WORK RE RESPONSE TO REQUEST FOR INFORMATION ON FOREIGN VENDORS FROM DB ( 3) WORK ON GUIDELINES RE MOTIONS GRANTED FOR COMPANY (1 8)
HENRY S	12/04/02	2 70	CONTINUED WORK ON MEMORANDUM RE RELIEF GRANTED IN FIRST DAY ORDERS (1 3) REVIEW AVRUCH E-MAIL RE SAME ( 1) REVIEW LETTER RE CRITICAL VENDORS ( 2) REVIEW OPPOSITION FOR MOTION TO PAY CRITICAL VENDORS AND FOLLOW UP CASE LAW AND FACTS CITED THEREIN ( 9) T/C BUDD RE OPERATIONAL ISSUES ( 2)
HENRY S	12/06/02	6 50	PREPARATIONS FOR HEARING ON CRITICAL VENDORS MOTION READ CASES PRECEDENTS OBJECTIONS OUTLINE ARGUMENT ADDITIONAL FACT GATHERING (3 3) PREPARATIONS FOR HEARING ON FOREIGN VENDORS MOTION READ OBJECTION OUTLINE ARGUMENT GATHER LATEST FACTS GO THROUGH DISCOVERY WORK RE TESTIMONY REVIEW AND RESPOND TO OBJECTION POINTS WORK ON COMPROMISE SCENARIO (3 2)
HENRY S	12/10/02	1 20	WORK ON TRANSITIONING OPEN TAX MATTER TO ROPES AND GRAY INCLUDING SUPPLYING BACKGROUND STATUS AND OPEN ISSUE TO FACILITATE (1 2)
		39 90	
<b>Total Partner</b>		<b>53 90</b>	
BARRETT DE	12/10/02	1 20	TRANSACTION CONFERENCE CALL WITH COMPANY REGARDING CORPORATE OPERATIONS (1 2)
		1 20	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

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ENGELHARDT L	12/10/02	4 20	TRANSITION ASSISTANCE PREPARE FOR AND TELECONFERENCE WITH S HENRY S AVRUCH O HIDLEY C BUTT L FENG AND OTHERS AT GENUITY RE CONTRACT ISSUES AND FIRST DAY ORDERS (1 8) TELECONFERENCE WITH L FENG RE SOFTWARE UPGRADES AND PAYMENT THEREFOR ( 6) TELECONFERENCE WITH KHA NGYUEN RE EQUANT CUSTOMER DISPUTE AND SETTLEMENT ( 7) TRANSITION ASSISTANCE TELECONFERENCES WITH VENDORS RE CREDITORS COMMITTEE FILING ENTITIES PROOFS OF CLAIM AND OTHER GENERAL QUESTIONS ( 8) TRANSITION ASSISTANCE ANALYSIS RE QUESTIONS FOR U S TRUSTEE ( 2) TELECONFERENCE WITH B MASUMOTO RE INSURANCE 341 BAR DATE ETC ( 1)
ENGELHARDT L	12/11/02	0 80	TRANSITION ASSISTANCE TELECONFERENCE WITH ROPES & GRAY S AVRUCH O HIDLEY AND OTHERS AT GENUITY RE ISSUES RELATED TO FIRST DAY ORDERS EXTENSION OF CONTRACTS AND REAL ESTATE REJECTIONS ( 8)
ENGELHARDT L	12/12/02	0 70	TRANSITION ASSISTANCE ATTEND CONFERENCE CALL WITH R MARTIN S AVRUCH O HIDLEY AND OTHERS AT GENUITY RE QUESTIONS ON FIRST DAYS AND SALE PROCESS ( 7)
		5 70	
HOFF CL	12/02/02	10 30	PREPARE FOR VENDOR RELATIONS MEETING AND MET WITH J VINCENZO (1 2) MET WITH VENDOR RELATIONS GROUP RE RESPONDING TO VENDOR CALLS (1 1) ATTEND ALL EMPLOYEE MEETINGS WITH P GUDONIS (1 5) REVIEWED VENDOR CONTRACTS PRESENTATION AND PREPARED FOR MEETING RE SAME (1 8) MET WITH S AVRUCH VENDOR RELATIONS GROUP AND REAL ESTATE GROUP RE CONDUCT UNDER ASSET PURCHASE AGREEMENT (1 3) MET WITH J VINCENZO RE COMMUNICATIONS MATERIALS (1 ) REVIEWED ISSUES RE NOTICE FOR GOVERNMENT CONTRACTS (1 3) WORK RE SAME (1 1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
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HOFF CL	12/03/02	12 10	REVIEW GOVERNMENT CONTRACT ISSUE (2 2) WORK RE NOTICING SAME (1 6) REVIEW MATERIALS FOR COMPLIANCE WITH LEVEL 3 AGREEMENT (1 8) MET WITH VENDOR MANAGEMENT GROUP FOR A FOLLOW-UP QUESTION AND ANSWER SESSION (1 2) MET WITH VENDOR MANAGEMENT GROUP RE LEVEL 3 PROCEDURES (1 1) ANALYSIS RE NOTICE OF SAME ( 9) TELEPHONE CALLS TO/FROM O HIDLEY RE UTILITY PROVIDERS ( 6) MET WITH C BUTT RE CUSTOMER ISSUES ( 5) MET WITH CUSTOMER/VENDOR GROUP RE IMPACT OF CHAPTER 11 FILING (2 2)
HOFF CL	12/04/02	4 80	MEETING WITH CUSTOMER SERVICES GROUP RE IMPACT OF FILING AND ASSET PURCHASE AGREEMENT PROCEDURES (1 2) REVIEWED MATERIALS TO PREPARE FOR SAME ( 6) WORK ON CALENDAR FOR COMMUNICATIONS PURPOSES (1 6) ANSWERED NUMEROUS QUESTIONS RE FIRST DAY MOTIONS AND ORDERS (1 4)
HOFF CL	12/05/02	6 50	MET WITH A BORGGAARD RE COMMUNICATIONS SCHEDULE ( 6) MET WITH COMMUNICATIONS GROUP RE SAME (1 1) MET WITH M MAGETTERRI RE CUSTOMER TERMINATION AND SETTLEMENT PROCEDURES (1 9) MET WITH S AVRUCH AND M OPPENHEIM RE SAME ( 9) MET WITH C BEASLEY RE SAME ( 6) REVIEWED M&A TIMELINE TO REVISE COMMUNICATIONS TARGETS (1 4)
HOFF CL	12/09/02	2 90	TRANSITION ASSISTANCE RESPOND TO QUESTIONS OF GENUITY EMPLOYEES INCLUDING O HIDLEY S AVRUCH AND M MAGETTERRI RE SETTLEMENT PROCEDURES AND SUSPENSION PROCEDURES (2 9)
HOFF CL	12/10/02	5 70	TRANSITION ASSISTANCE NUMEROUS TELEPHONE CALLS TO/FROM O HIDLEY S AVRUCH M MAGETTERRI AND M MAHONEY RE AUTOMATIC STAY ISSUES SUSPENSE AND TERMINATION PROCEDURES AND INTERPRETATION OF COURT ORDERS (3 9) REVIEWED COURT ORDERS RE SAME (1 8)

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HOFF CL	12/11/02	2 40	TRANSITION ASSISTANCE REVIEWED PRESENTATION MATERIALS FOR AOL CONFERENCE CALL (1 8) REVIEWED LEASES FOR DRAFT REJECTION MOTION ( 6)
HOFF CL	12/13/02	1 50	TRANSITION ASSISTANCE TELEPHONE CALL WITH S AVRUCH O HIDLEY AND D DEAMICIS RE QUESTIONS RE TRANSITION ( 7) RESPONDED TO NUMEROUS E-MAILS RE CUSTOMER PRACTICES RE SAME ( 8)
HOFF CL	12/16/02	3 20	TRANSITION ASSISTANCE REVIEWED ISSUES RE TRANSITION WITH D DEAMICIS O HIDLEY AND S AVRUCH RE CUSTOMER PROTOCOL (3 2)
HOFF CL	12/17/02	7 50	TRANSITION ASSISTANCE CONFERENCE CALLS WITH D DEAMICIS FROM ROPES & GRAY O HIDLEY S AVRUCH W WILSON AND M MAGETTERRI RE CUSTOMER AND VENDOR ISSUES (3 1) TELEPHONE CALLS TO/FROM R MARTIN RE TRANSITION OF KERP ( 4) WORK RE SAME (2 2) QUESTION AND ANSWER CONFERENCE CALL WITH D DEAMICIS O HIDLEY S AVRUCH AND D MOYNIHAN RE TRANSITION (1 8)
HOFF CL	12/18/02	2 20	CONFERENCE CALL WITH D DEAMICIS S AVRUCH AND O HIDLEY RE TRANSITION ISSUES RE CUSTOMERS AND VENDORS (1 6) TELEPHONE CALLS TO/FROM R MARTIN AND E FONTANA RE SAME ( 6)
		59 10	
<b>Total Associate</b>		66 00	
<b>MATTER TOTAL</b>		<u>119 90</u>	

SKADDEN ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity, Inc (DIP)  
 Case Administration

Bill Date 01/08/03  
 Bill Number: 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	11/27/02	3 50	WORK ON CASE FILING AND OTHER RELATED MATTERS (3 5)
DAVIS EM	12/06/02	0 40	REVIEW TRANSCRIPT TO CONTINUE WORK ON PREPPING FOR 12/9 HEARING ( 4)
DAVIS EM	12/09/02	6 70	TRAVEL TO NYC FOR OMNIBUS HEARING AND PREP WHILE ON TRAIN (1 9) ATTEND HEARING ON OUTSTANDING FIRST DAY ISSUES (3 0) POST-HEARING MEETING WITH COMPANY RE TRANSITION FROM 327(A) TO 327(E) COUNSEL (1 8)
DAVIS EM	12/10/02	7 00	WORK ON TRANSITIONING CASE TO ROPES & GRAY INCLUDING THE COLLECTION OF INFORMATION TO BE FORWARDED TO ROPES & GRAY FOR TRANSITIONING CASE (4 7) CONF CALL WITH ROPES & GRAY ON SAME ( 8) SET UP MEETING IN BOSTON FOR TRANSITION ISSUES ( 9) TRANSITION ISSUE - RESPOND TO O HIDLEY RE ANDERSON V BROWN DISCOVERY ISSUE ( 6)
DAVIS EM	12/11/02	8 90	TRANSITION WORK TRAVEL TO BOSTON TO WORK WITH ROPES & GRAY ON TRANSITIONING CASE AND WORK ON PLANE ON STRATEGY TO DO SO (2 1) PREP FOR MEETING AND CONF CALL WITH CLIENT ON SAME (1 3) TRAVEL TO AND MEET WITH ROPES LAWYERS (5 2) POST-MEETING CONF CALL WITH CLIENT ( 3)
DAVIS EM	12/13/02	1 60	CONTINUE WORK TO TRANSITION BANKRUPTCY GENERAL REPRESENTATION TO ROPES ( 3) DAILY CONF CALL WITH ROPES RE SAME (1 3)
DAVIS EM	12/16/02	0 80	TRANSITION PROVIDE BACKGROUND INFO FOR MATTERS UP FOR HEARING REGARDING BID PROCEDURES AND CRITICAL VENDORS ( 8)
DAVIS EM	12/18/02	0 40	TRANSITION RESPOND TO ROPES & GRAY INQUIRY RE CLAIRMONT LITIGATION AND PROOFS OF CLAIM ( 4)
		29 30	



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HENRY S	12/02/02	3 30	WORK RE REVISIONS TO ORDERS (UTILITY CASE MANAGEMENT ORDINARY COURSE PROFESSIONAL TAX PAYMENT JOINT ADMINISTRATION) IN PREPARATION FOR HEARING (3 3)
HENRY S	12/03/02	1 20	REVIEW AND COMMENT ON PRESS RELEASES RE FIRST DAY HEARINGS (1 2)
HENRY S	12/04/02	1 80	CALL O BRIEN RE MONTHLY OPERATING REPORTS ( 1) WORK ON PROTOCOLS RE SAME ( 40) WORK ON PREPARATIONS FOR MONDAY HEARING ( 5) T/C BEVERLY RICHARDS AND FOLLOW UP RE FEES AND NOTICE OF ELECTRONIC FILING ( 8)
HENRY S	12/05/02	2 70	ANSWER QUESTIONS FROM CREDITORS AND U S TRUSTEE S OFFICE AND WORK ON DILIGENCE RE INITIAL SCHEDULES AND BASIS FOR LISTINGS EXECUTORY CONTRACT ISSUES AND CASE MANAGEMENT WORK (2 7)
HENRY S	12/09/02	3 00	ATTEND HEARING (3 0)
HENRY S	12/10/02	6 80	WORK ON NUMEROUS TRANSITION ITEMS DELEGATION OF TRANSITION DUTIES INFORMATION FOR COMPANY ANALYSIS RE TRANSITION AND DISCUSSION WITH PARKER RE SAME (5 9) T/C AVRUCH RE PROTOCOLS FOR TRANSITION AND COMPANY QUESTIONS DURING TURNOVER PERIOD AND WORK ON SAME ( 9)
HENRY S	12/11/02	1 90	T/C PARKER RE TRANSITIONAL ISSUES ( 3) PREPARE FOR CALL WITH COMPANY RE EFFECT OF FIRST DAY ORDERS AND TRANSITION ( 9) CALL WITH AVRUCH HIDLEY ET AL RE SAME ( 7)
HENRY S	12/12/02	5 10	PREPARE FOR AND ATTEND MEETING AT LAZARD FRERES WITH REPRESENTATIVES OF LAZARD ROPES AND GRAY COMPANY RE NUMEROUS TRANSITION ISSUES (2 4) TRANSITION WORK WITH COMPANY RE COMPLIANCE WITH OPERATING GUIDELINES AND COURT ORDERS AND ORGANIZATION OF COMMUNICATION FLOW DURING TRANSITION PERIOD (1 9) WORK ON TRANSITIONAL MATTERS INCLUDING COMMUNICATIONS RE ORDERS GRANTED REVISIONS FOLLOW UP AND ANY NECESSARY MODIFICATIONS WITH COMPANY ( 9)

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HENRY S	12/16/02	5 30	WORK RE TRANSITIONAL MATTERS RE HEARING ( 5) ATTEND HEARING (4 2) MEET WITH PARKER RE SAME ( 2) T/C PARKER RE SAME ( 2)
HENRY S	12/17/02	3 90	WORK ON SEVERANCE ISSUE TRANSITION HELP ( 8) ATTEND HEARING AND DISCUSSIONS WITH CLIENT RE TRANSITIONAL ISSUES (3 1)
		<b>35 00</b>	
MILMOE J	11/27/02	2 50	CALLS TO U S TRUSTEE AND J BEATTY S CHAMBERS RE SCHEDULING CONFLICTS ISSUES AND FIRST DAY MOTIONS (2 5)
MILMOE J	11/29/02	0 90	REVIEW FIRST DAY MOTIONS AND ANALYZE ASPECTS OF SAME (0 9)
MILMOE J	11/30/02	2 60	REVIEW FINAL FORM OF ASSET PURCHASE AGREEMENT AND FIRST DAY PLEADINGS TO PREP FOR MONDAY HEARING (1 9) WORK ON OVERVIEW PRESENTATION TO COURT (0 7)
MILMOE J	12/01/02	0 80	REVIEW FIRST DAY FILINGS AND FINALIZE PRESENTATION ( 8)
MILMOE J	12/02/02	0 30	CALL W/BUSINESS JOURNAL IN BOSTON RE QUESTIONS ( 3)
MILMOE J	12/02/02	6 40	MEETING WITH CLIENT TO PREP FOR FIRST DAY HEARING (2 1) REVIEW AND COORDINATE FIRST DAY PRESENTATION (0 9) ATTEND FIRST DAY HEARINGS AND FOLLOW UP WITH U S TRUSTEE (2 6) CALL TO SR MGT RE POST MORTEM AND TO DO LIST (0 8)
MILMOE J	12/03/02	3 30	CALLS W/PROSPECTIVE COUNSEL FOR CREDITORS COMM TO RESPOND TO QUESTIONS (1 9) CALLS FROM PROSPECTIVE LENDERS AND OTHER PROFESSIONALS (0 5) CALLS FROM K FARRELL OF CLERK S OFFICE RE DONLIN MOTION (0 2) CALLS W/SR MGT RE EMPLOYEE MEETINGS AND QUESTIONS (0 7)
MILMOE J	12/10/02	0 40	TEL CALLS W/ COMPANY RE TRANSITION TO ROPES & GRAY AND COORDINATION OF SAME ( 4)
MILMOE J	12/11/02	0 60	CALLS TO AND FROM IRA PARKER RE TRANSITION (0 6)

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MILMOE J	12/12/02	0 40	CALL W/DAVE WALSH RE DUE DILIGENCE AND TRANSITION ( 4)
MILMOE J	12/18/02	0 40	CALL W/IRA PARKER RE DEVELOPMENTS IN COURT AND GOING-FORWARD STRATEGY RE TRANSITION ( 4)
MILMOE J	12/20/02	0 30	CALLS W/ ROPES & GRAY RE MISCELLANEOUS TRANSITION MATTERS AND CALLS FROM CREDITORS ( 3)
MILMOE J	12/26/02	0 60	CALLS W/IRA PARKER RE TRANSITION (0 3) TRANSITION ASSISTANCE CALLS WITH TAXING AUTHORITIES RE GENERAL QUESTIONS (0 3)
MILMOE J	12/27/02	0 40	CALLS W/IRA AND ROPES & GRAY RE MISC TRANSACTION FOLLOW UP MATTERS ( 4)
		<b>19 90</b>	
<b>Total Partner</b>		<b>84 20</b>	
BARRETT DE	12/02/02	1 50	RESPOND TO CREDITOR/LESSOR QUESTIONS (0 8) PREPARATION FOR FIRST DAY HEARING (0 7)
BARRETT DE	12/06/02	2 40	WORK ON CREDITOR QUESTIONS (TELEPHONE CONFERENCES WITH VARIOUS CREDITORS) (2 4)
BARRETT DE	12/09/02	1 40	PREPARATION FOR HEARING (1 4)
BARRETT DE	12/13/02	1 30	TRANSITION ASSISTANCE RESPOND TO CREDITOR CALLS (1 3)
		<b>6 60</b>	
ENGELHARDT L	11/27/02	16 30	SUPERVISE FILING OF FIRST DAY PAPERS AND PREPARATION AND DISTRIBUTION OF NOTICES (16 3)
ENGELHARDT L	11/28/02	1 70	TELEPHONE INTERNATIONAL TOP 40 CREDITORS RE FILING AND RESEND NOTICES TO SAME (1 7)
ENGELHARDT L	11/29/02	0 50	TELEPHONE CALLS WITH LEVEL 3 AND BANK GROUP RE MONDAY HEARING ( 5)
ENGELHARDT L	12/01/02	3 00	ORGANIZE FILES FROM FIRST DAY MOTION PREPARATION (1 5) REVIEW RECEIPT OF NOTICES AND SCHEDULE SAME (1 5)

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ENGELHARDT L	12/02/02	13 50	REVISE ORDERS TO INCORPORATE J BEATTY S COMMENTS (2 4) PREPARE FOR FIRST DAY HEARING (3 8) ATTEND FIRST DAY HEARING AND DISCUSS DONLIN RETENTION WITH COURT CLERK (2 6) PREPARE NOTICES TO GOVERNMENT CONTRACT PARTIES AND SEND SAME ( 4) PREPARE AFFIDAVITS OF SERVICE AND COORDINATE PREPARATION OF SERVICE LISTS FOR FAX NOTICES (4 3)
ENGELHARDT L	12/03/02	11 40	PREPARE SERVICE OF AND SERVE NOTICES OF INTERIM MOTIONS AND COURTESY COPIES OF SIGNED ORDERS (10 0) TELECONFERENCES WITH VENDORS (INCLUDING PEPPER HAMILTON ATTORNEYS AND TWC SOLUTIONS) AND COMPANY PERSONNEL (INCLUDING ONDREA HIDLEY AND DEANNA WHITE) RE BANKRUPTCY FILING RECLAMATION AND C O D PAYMENTS ( 5) WORK ON CASE MANAGEMENT ISSUES AND PREPARE DECLARATIONS OF SERVICE ( 9)
ENGELHARDT L	12/04/02	8 20	REVISE FILE AND SERVE NOTICE OF AGENDA FOR 12/9 HEARING INCLUDING REVISIONS TO SERVICE LISTS (2 5) TELECONFERENCE WITH D BARTNER A GALLAGHER RE OBJECTION TO CRITICAL VENDOR AND EMPLOYEE MOTIONS ( 7) COORDINATE SERVICE OF UTILITY MOTION SALE MOTION ORDINARY COURSE PROFESSIONAL MOTION WITH R HOWARD (4 0) RESPOND TO QUESTIONS FROM VARIOUS INTERESTED PARTIES RE SERVED DOCUMENTS (1 0)
ENGELHARDT L	12/05/02	1 00	CONTACT AND DISCUSS WITH P JALBFRT D SFLWOOD L SMITH ACTUAL OUTSTANDING PARTIES OF TOP 40 LIST (1 0)

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ENGELHARDT L	12/06/02	7 50	COORDINATE FILING AND SERVICE OF PARKER DECLARATION MILMOE AFFIDAVIT AND OTHER DOCUMENTS (1 0) REVIEW AND REVISE SAME (1 0) REVISE CASE CALENDARS (1 0) DRAFT AMENDED AGENDA FOR 12/9 HEARING ( 8) SUPERVISE FILING AND SERVICE OF SAME ( 4) ANALYSIS RE PENDING TASKS ( 3) TELEPHONE J BEATTY CHAMBERS RE RECENTLY FILED DOCUMENTS ( 1) COORDINATE DISTRIBUTION OF DOCUMENTS WITH COUNSEL TO CREDITORS COMMITTEE ( 5) TELECONFERENCE WITH M SCHWARTZ RE SAME ( 1) READ AND ANALYZE TRANSCRIPT OF 12/2 HEARING RE COURT PROCEDURES ( 7) REVIEW PROCEDURES ORDER RE SAME ( 4) ANALYZE NEED FOR NOTICE OF STAY IN CERTAIN WAGE-RELATED DISPUTES ( 2)
ENGELHARDT L	12/07/02	0 90	ANALYSIS RE PREPARATION FOR MON HEARING ( 4) PREPARE FOR SAME ( 5)
ENGELHARDT L	12/08/02	2 30	SUPERVISE PREPARATION OF DOCUMENTS FOR 12/9 HEARING (1 3) DRAFT CASE CALENDARS REVISE TASK LIST REVIEW INDEX (1 0)
ENGELHARDT L	12/09/02	5 00	PREPARE FOR HEARING (4 0) REVISE ORDERS FOR SAME (1 0)
ENGELHARDT L	12/10/02	4 80	COORDINATE AND SUPERVISE PREPARATION OF FILES TO TRANSFER TO ROPES & GRAY (2 0) ANALYZE ISSUES RELATED TO TRANSITION AND PREPARE OPEN ISSUES CHECKLISTS ( 9) ANALYZE TRANSITIONAL ISSUES ( 7) SUPERVISE DISTRIBUTION OF TRANSCRIPTS AND COURT DOCUMENTS ( 8) REVIEW AND ANALYZE ISSUES RELATED TO APPLICATION FILED BY THE COURT ( 4)
ENGELHARDT L	12/11/02	1 50	WORK ON TRANSITION ISSUES (1 5)
ENGELHARDT L	12/12/02	0 90	DISCUSS TRANSITION TO ROPES & GRAY WITH R MARTIN ( 9)
ENGELHARDT L	12/13/02	1 40	COORDINATE TRANSFER OF DOCUMENTS AND INFORMATION TO ROPES & GRAY INCLUDING CRITICAL VENDOR INFORMATION TO S MOELLER-SALLY (1 4)

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ENGELHARDT L	12/16/02	1 60	COORDINATE AND SUPERVISE DISTRIBUTION OF EMPLOYEE-RELATED MATERIALS TO ROPES & GRAY ( 7) ADDRESS ADDITIONAL TRANSITION-RELATED ISSUES INCLUDING VENDOR PHONE CALLS ( 9)
		81 50	
EPSTEIN J	11/27/02	7 60	DRAFTING FIRST DAY NOTICES (5 6) COORDINATING NOTICING PARTIES FOR FIRST DAY HEARINGS (2 0)
EPSTEIN J	12/02/02	2 50	PREPARE NOTICES FOR FIRST DAY MOTIONS (2 5)
EPSTEIN J	12/06/02	3 50	COORDINATION OF DOCUMENT INDEXING (3 5)
EPSTEIN J	12/07/02	2 50	COORDINATING DOCUMENT INDEXING (2 5)
EPSTEIN J	12/09/02	0 40	DRAFTING NOTICES TO BE SENT TO 2002 LIST ( 4)
EPSTEIN J	12/17/02	4 00	TRANSITIONING NOTICES TO ROPES AND GRAY (4 0)
		20 50	
HOFF CL	11/27/02	4 00	REVIEW OF SPEAKING OUTLINE AND PROFFER AND WORK ON SAME (2 9)
HOFF CL	11/29/02	3 20	REVIEWED FIRST DAY ORDERS (1 0) REVIEWED CHANGES TO FIRST DAY MOTIONS (1 1) REVIEWED FIRST DAY MOTION BACK UP MATERIALS (1 1)
HOFF CL	12/01/02	3 40	CONFERENCE CALL WITH J FREEZE RE MANAGEMENT COMMUNICATIONS ( 4) ANALYSIS RE FIRST DAY HEARING ISSUES ( 1) WORK RE COMMUNICATIONS REVIEW TO PREPARE FOR VISIT TO GENUITY (2 9)
HOFF CL	12/11/02	3 30	TELEPHONE CALLS TO D DEAMICIS RE TRANSITION PROCESS TO ROPES & GRAY ( 6) PREPARED DOCUMENTS TO FORWARD TO ROPES & GRAY RE SAME (2 7)

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HOFF CL	12/12/02	7 20	TRANSITION ASSISTANCE CONFERENCE CALL WITH S AVRUCH O HIDLEY R MARTIN AND D DEAMICIS RE AOL CONTRACT (1 1) PREPARATION FOR AND PARTICIPATION IN MEETING WITH ROPES & GRAY LAZARD AND GENUITY SENIOR MANAGEMENT (2 9) CONFERENCE CALL WITH S AVRUCH O HIDLEY AND R MARTIN TO ANSWER COMPANY QUESTIONS AND TRANSITION (1 2) MET WITH R MARTIN RE TRANSITION OF BANKRUPTCY CASE ( 8) REVIEWED FIRST DAY ORDER SUMMARY FOR TRANSITION (1 2)
		21 10	
HURST DR	12/02/02	7 00	PREPARE MATERIALS FOR 12/2 HEARING (4 7) MEETING WITH CLERK S OFFICE RE DONLIN RETENTION ( 3) REVISE VARIOUS ORDERS ( 6) BEGIN TO WORK ON NOTICE ISSUES (1 4)
HURST DR	12/03/02	7 20	PREPARE VARIOUS NOTICES FOR FIRST-DAY ORDERS AND WORK ON RELATED ISSUES (4 4) DRAFT CORRESPONDENCE TO J ROBERTS RE FORMATION MEETING ( 1) SUPERVISE SERVICE OF VARIOUS FIRST-DAY MOTIONS AND NOTICES (2 7)
HURST DR	12/04/02	3 20	CONTINUE TO WORK ON ISSUES RE NOTICE OF FIRST-DAY ORDERS NOTICE TO GOVERNMENTAL CONTRACT PARTIES (1 6) REVIEW STATUS OF VARIOUS PENDING MATTERS ( 4) DRAFT 12/9 HEARING AGENDA (1 2)
HURST DR	12/05/02	3 40	BEGIN TO PREPARE MATERIALS FOR 12/9 HEARING (1 2) BEGIN TO DEVELOP CASE TASK LIST (2 2)
HURST DR	12/06/02	2 20	CONTINUE TO WORK ON CASE TASK LIST AND ASSIGNMENT OF RESPONSIBILITIES (2 2)
HURST DR	12/08/02	0 70	DRAFT TEMPLATE NOTICE OF MOTION ( 7)
HURST DR	12/09/02	6 10	PREPARE BACKUP MATERIALS FOR 12/9 HEARING (3 4) ATTEND 12/9 HEARING (2 7)
HURST DR	12/10/02	3 40	TRANSITION ASSISTANCE REVIEW STATUS OF VARIOUS PENDING MATTERS AND BEGIN TO SUMMARIZE (2 2) WORK ON ISSUES RE TRANSITION OF PENDING MATTERS (1 2)

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HURST DR	12/12/02	6 40	PREPARE FOR MEETINGS WITH COMPANY ROPES & GRAY AND OUTSIDE ADVISORS RE TRANSITION ISSUES (2 6) ATTEND MEETINGS (3 8)
		39 60	
WIDDOSS PA	12/02/02	1 30	TELEPHONE CALL WITH INTERESTED PARTY RE FILING ( 4) PREPARE CORRESPONDENCE TO SAME RE LEAD PETITION ( 3) WORK ON ISSUES RE CASE STRATEGY AND MANAGEMENT ( 6)
WIDDOSS PA	12/06/02	0 70	WORK ON ISSUES RE CASE MANAGEMENT AND DELEGATION OF TASKS ( 7)
		2 00	
<b>Total Associate</b>		171 30	
KREINER ML	11/27/02	8 50	FILE BANKRUPTCY CASE AT S D N Y BANKRUPTCY COURT (8 5)
KREINER ML	12/02/02	9 50	ASSIST WITH PREPARATION FOR FIRST-DAY HEARING (2 0) PREPARE BLUEBACK COPIES OF ORDERS FOR CHAMBERS (1 8) ASSIST AT FIRST DAY HEARING (4 5) FILE ELECTRONIC NOTICES ON COURT S WEBSITE (1 2)
KREINER ML	12/03/02	13 60	PREPARE NOTICE OF INTERIM ORDER AND HEARING DATE FOR FOREIGN VENDOR INVESTMENT UTILITY AND EMPLOYEE MOTIONS (2 4) COORDINATE SERVICE OF DOCUMENTS (2 1) CREATE MAILING LABELS FOR GOVERNMENT CONTRACT PARTY SERVICE LIST (2 0) COORDINATE SERVICE OF NOTICE OF BANKRUPTCY FILING TO GOVERNMENT CONTRACT PARTIES (4 2) FILE ELECTRONIC NOTICES ON COURT S WEBSITE (1 1) PREPARE COURTESY COPIES OF DOCUMENTS FOR CHAMBERS ( 6) DELIVER CERTIFIED MAIL TO POST OFFICE (1 2)



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KREINER ML	12/04/02	10 70	DELIVER COURTESY COPY OF SALE MOTION TO COURT (1 8) FILE DOCUMENT ON COURT WEBSITE ( 7) ASSEMBLE BINDER OF DOCKET ENTRIES (3 4) ASSEMBLE FIRST DAY BINDER WITH SIGNED ORDERS (1 4) DISTRIBUTE NOTICES OF ELECTRONIC FILING ( 6) REVIEW DOCKET FOR NOTICES OF APPEARANCE ( 6) UPDATE MASTER SERVICE LIST WITH UPDATED NOTICES OF APPEARANCE (1 1) DISTRIBUTE MASTER SERVICE LIST TO REQUESTING PARTY ( 2) BEGIN CREATION OF MASTER SERVICE LIST FAX ( 9)
KREINER ML	12/05/02	10 00	PREPARE DOCUMENTS TO BE DISTRIBUTED TO CREDITORS COMMITTEE (3 2) PREPARE SETTLEMENT MOTION FOR FILING ( 6) FILE SETTLEMENT MOTION ON COURT S WEBSITE ( 5) UPDATE MASTER SERVICE LIST ( 9) CREATE MASTER SERVICE FAX LIST (1 8) DOCKET UPDATE ( 7) REVIEW DOCKET FOR ENTRIES TO BE ADDED TO IMAGEBASE (1 2) BEGIN ORGANIZING DOCUMENTS FOR CASE IMAGEBASE (1 1)
KREINER ML	12/06/02	9 30	UPDATE MASTER SERVICE LIST LABELS AND FAX (1 5) DISTRIBUTE SERVICE LIST ( 5) PREPARE COURTESY DOCUMENTS FOR CHAMBERS (1 0) BEGIN ORGANIZATION OF SIGNATURE FILES (1 1) FILE VERIFIED REPLY MOTION ( 5) FILE DECLARATION OF IRA PARKER ( 5) FILE SUPPLEMENTAL AFFIDAVIT OF J GREGORY MILMOE ( 5) ASSIST IN SERVICE OF FILED DOCUMENTS ( 8) CONTINUE ORGANIZATION OF IMAGEBASE DOCUMENTS ( 9) OBTAIN REFERENCED CASES FROM FILED OBJECTION (2 0)
KREINER ML	12/08/02	2 00	ORGANIZE FIRST DAY SIGNATURE DOCUMENTS (1 0) UPDATE SERVICE LIST ( 5) ORGANIZE NOTICES OF APPEARANCE FOR SUBMISSION TO COURT ( 5)
KREINER ML	12/09/02	8 60	ASSIST WITH HEARING PREPARATION (4 2) SEARCH DOCKET FOR NOTICES OF APPEARANCE ( 9) PROVIDE DOCUMENTS FOR COURT (1 3) UPDATE MASTER SERVICE LIST ( 7) FILE AND PREPARE SALE NOTICE FOR SUBMISSION TO COURT (1 5)

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KREINER ML	12/10/02	10 30	TRANSITION ASSISTANCE PREPARE DONLIN APPLICATION AND ORDER AND DELIVER TO CHAMBERS (2 2) UPDATE MASTER SERVICE LIST AND DISTRIBUTE TO OUTSIDE PARTIES (1 2) PREPARE PACKAGE FOR ROPES & GRAY (6 9)
KREINER ML	12/11/02	4 40	TRANSITION ASSISTANCE UPDATE CONTACT LIST (2 6) SEARCH DOCKET FOR NOTICES OF APPEARANCE ( 6) UPDATE BANKRUPTCY WORKING GROUP LIST (1 2)
KREINER ML	12/12/02	5 30	TRANSITION ASSISTANCE UPDATE MASTER SERVICE LIST ( 6) ASSEMBLE SIGNED ORDERS BINDER FOR S AVRUCH (1 3) ORGANIZE FILES SENT TO R&G (1 2) UPDATE AND FORWARD MSL LABELS ( 8) DISTRIBUTE LOCAL FILING RULES TO D ELIZALDE ( 4) SEARCH DOCKET FOR NOTICES OF APPEARANCE (1 0)
KREINER ML	12/13/02	1 60	TRANSITION ASSISTANCE UPDATE MASTER SERVICE LIST ( 6) SEARCH DOCKET FOR NOTICES OF APPEARANCE ( 6) UPDATE FILES ( 4)
KREINER ML	12/16/02	0 80	TRANSITION ASSISTANCE ORGANIZE FILES TO BE SENT TO ROPES AND GRAY ( 8)
KREINER ML	12/17/02	1 40	ORGANIZE FILES FOR ROPES AND GRAY (1 4)
KREINER ML	12/18/02	0 30	TRANSITION ASSISTANCE ORDER HEARING TRANSCRIPTS ( 1) UPDATE MASTER SERVICE LIST ( 2)
KREINER ML	12/19/02	7 80	TRANSITION ASSISTANCE ASSIST WITH PREPARATION OF SALE SERVICE LIST (7 8)
KREINER ML	12/23/02	3 00	TRANSITION ASSISTANCE ASSIST WITH SALE PLEADINGS SERVICE (3 0)
KREINER ML	12/26/02	0 90	TRANSITION ASSISTANCE COORDINATE MAILING OF DOCUMENTS TO S MOELLER-SALLY AT ROPES & GRAY ( 9)
KREINER ML	12/30/02	5 30	TRANSITION ASSISTANCE ORGANIZE AND CATALOG LEASE AND VENDOR FILES TO BE SENT TO ROPES & GRAY (5 3)

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KREINER ML	12/31/02	2 00	TRANSITION ASSISTANCE UPDATE MASTER SERVICE LIST ( 4) COMPLETE MAILING OF FILES TO ROPES & GRAY (1 6)
		115 30	
<b>Total Legal Assistant</b>		<b>115 30</b>	
KAPLAN HB	12/08/02	7 00	ASSIST W/ PREPARATION OF BINDERS FOR 11/09/02 HEARING (5 0) PREPARE BLUEBACKS FOR 11/09/02 HEARING (2 0)
		7 00	
ROMAN JJ	12/03/02	4 80	WORK ON PREPARATION AND SERVICE OF NOTICE OF BANKRUPTCY FILING ON GOVERNMENTAL ENTITIES (4 8)
ROMAN JJ	12/09/02	1 90	PREPARE DOCUMENTS FOR ATTORNEY REVIEW RE HEARING ON RETENTION AND PURCHASE AGREEMENT (1 9)
		6 70	
<b>Total Legal Assist Support</b>		<b>13 70</b>	
<b>MATTER TOTAL</b>		<b><u>384 50</u></b>	

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Genuity, Inc (DIP)  
Claims Administration and Objections

Bill Date: 01/08/03  
Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
WIDDOSS PA	12/09/02	2 00	TRANSITION ASSISTANCE REVIEW AND REVISE SLC SETTLEMENT MOTION AND ORDER (1 3) CORRESPONDENCE AND DISTRIBUTION RE SAME TO MORRISON & FOERSTER ( 4) FURTHER REVIEW AND REVISIONS TO SLC SETTLEMENT MOTION/ORDER TO INCORPORATE MORRISON & FOERSTER COMMENTS ( 3)
WIDDOSS PA	12/10/02	0 60	TRANSITION ASSISTANCE REVIEW REVISE AND ASSIST MORRISON & FOERSTER WITH FILING PREPARATIONS FOR SLC SETTLEMENT MOTION ( 6)
		2 60	
Total Associate		2 60	
MATTER TOTAL		<u>2 60</u>	

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Genuity, Inc (DIP)  
 Creditors Meetings/Committees

Bill Date 01/08/03  
 Bill Number: 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	12/05/02	3 90	TRAVEL TO NYC FOR FORMATION MEETING AND PREP PRESENTATION MATERIALS FOR SAME ON TRAIN (1 6) CALLS WITH U S TRUSTEE AND ALLEGIANCE RE FORMATION OF COMMITTEE ( 9) MEET WITH D O BRIEN RE FORMATION MEETING AND STRATEGY ON SAME (1 4)
DAVIS EM	12/12/02	6 90	TRANSITION ASSISTANCE TRAVEL TO NYC FOR MEETING WITH COMMITTEE AND PREP ON TRAIN (1 9) PREP FOR MEETING WITH COMMITTEE IN NYO (3 2) PRE-COMMITTEE MEETING AT LAZARD (1 8)
		10 80	
HENRY S	12/03/02	0 60	WORK ON PREPARATIONS FOR FORMATION MEETING ( 6)
HENRY S	12/04/02	3 80	WORK ON INFORMATION GATHERING FOR FORMATION MEETING (2 9) WORK ON INFORMATION RE POTENTIAL COMMITTEE MEMBERS ( 9)
HENRY S	12/05/02	2 60	ATTEND FORMATION MEETING RE COMMITTEE AND DISCUSSIONS WITH O BRIEN IN PREPARATION FOR SAME (2 6)
		7 00	
MILMOE J	12/03/02	1 70	FIELD CALLS FROM NUMEROUS CREDITORS COUNSEL RE STATUS AND ANTICIPATED DEVELOPMENTS (1 7)
MILMOE J	12/04/02	1 60	CALLS FROM CHADBOURNE PARK AND BROWN RUDNICK RE BACKGROUND AND ISSUES FOR CREDITOR S COMM (1 6)
MILMOE J	12/05/02	5 80	TEL CALLS AND CONFS W/CLIENT TO PREP FOR FORMATION MEETING (1 3) ATTEND FORMATION MEETING (3 9) FOLLOW UP MEETING WITH KRAMER LEVIN (0 6)
MILMOE J	12/06/02	0 90	CONF CALL W/MESSRS ECKSTEIN AND FELDMAN RE TIMING OF MOTIONS AND RELATED ISSUES AND RESPOND TO QUESTIONS ( 9)

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MILMOE J	12/09/02	0 60	REVIEW CRITICAL VENDOR/TAX PAYMENTS SETTLEMENT PROCESS (0 6)
MILMOE J	12/12/02	7 00	MEETING WITH COMPANY LAZARD FRERES AND ROPES & GRAY TO TRANSFER KNOWLEDGE BASE AND PREP FOR MEETING W/CREDITORS COMM PROFESSIONALS (2 2) MEETING AT LAZARD W/ROPE & GRAY COMPANY AND CREDITORS COMM PROFESSIONALS RE BACKGROUND OF CASE ROLES OF COUNSEL SIGNIFICANT ISSUES AND PROPOSED TIMING (4 8)
		17 60	
<b>Total Partner</b>		<b>35 40</b>	
ENGELHARDT L	12/05/02	4 00	REVISE FILE AND SERVE 9019 MOTION (2 5) COORDINATE DISTRIBUTION OF DOCUMENTS TO COUNSEL TO CREDITORS COMMITTEE ( 7) ANALYSIS RE RESULTS OF CREDITORS COMMITTEE MEETING AND DISCUSSED SAME ( 8)
		4 00	
HOFF CL	12/12/02	2 60	TRANSITION ASSISTANCE DRAFTED CONFIDENTIALITY AGREEMENT FOR COMMITTEE AND ROPES & GRAY (1 9) CIRCULATED SAME TO ROPES & GRAY ( 7)
		2 60	
HURST DR	12/11/02	2 10	TRANSITION ASSISTANCE PREPARE FOR 12/12 MEETING WITH CREDITOR S COMMITTEE (2 1)
		2 10	
<b>Total Associate</b>		<b>8 70</b>	
<b>MATTER TOTAL</b>		<b><u>44 10</u></b>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity Inc (DIP)  
 Employee Matters

Bill Date: 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	11/30/02	2 30	WORK ON EMPLOYEE MOTION PRESENTATION ( 8) REVISE THE Q&A FOR SAME ( 2) CALLS WITH HEWITT ( 4) REVIEW OBJECTION BY BANK GROUP AND DRAFT RESPONSIVE ARGUMENT TO SAME ( 9)
DAVIS EM	12/03/02	4 60	MULTIPLE CONF CALLS ON EMPLOYEE SEVERANCE AND KERP (1 7) REVIEW RELEVANT DOCUMENTS AND WORK ON DRAFT OF REPLY BRIEF AND CIRCULATE SAME FOR COMMENTS (2 9)
DAVIS EM	12/04/02	2 90	WORK ON VARIOUS EMPLOYEE ISSUES ( 7) WORK ON STRATEGY OF REPLYING TO BANK OBJECTIONS ( 4) CALLS WITH COMPANY AND REVISE REPLY BRIEF IN SUPPORT (1 0) WORK ON PRESENTATION OF EVIDENCE AT 12/9 HEARING ( 8)
DAVIS EM	12/05/02	2 40	WORK ON REPLY BRIEF FOR EMPLOYEE SEVERANCE (2 4)
DAVIS EM	12/06/02	1 70	CALLS WITH S BOWMAN ON SEVERANCE AND KERP ISSUES ( 5) CONTINUE WORK ON REPLY DOCUMENT EDITING AND FINALIZING SAME FOR FILING (1 2)
DAVIS EM	12/08/02	1 70	CALLS RE EMPLOYEE SEVERANCE PRESENTATION ( 8) WORK ON PROFFERS AND Q&A S FOR PRESENTATION AT 12/9 HEARING ON SAME ( 9)
DAVIS EM	12/09/02	2 90	PREP MATTERS RELATING TO EMPLOYEE SEVERANCE - INCLUDING NEW Q&A FOR D ARONSON AND WORKING WITH O BRIEN AND HEWITT ON EVIDENTIARY PRESENTATION (2 4) WORK WITH PARKER AND HILEMAN ON STRATEGY OF PRESENTATION OF EMPLOYEE SEVERANCE ISSUES (1 2) CALLS WITH P GUDONIS AND BOWMAN ON SAME ( 3)
DAVIS EM	12/13/02	0 40	TRANSITION ASSISTANCE CALL WITH ROPES RE FORM OF KERP ( 4)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

DAVIS EM	12/16/02	0 50	TRANSITION ASSISTANCE RESPOND TO INQUIRIES BY J PISCATELLO RE EMPLOYEE ISSUES RELATING TO PREPETITION RIFS ( 5)
DAVIS EM	12/17/02	2 50	TRANSITION ASSISTANCE RESPOND TO INQUIRIES REGARDING 12/31/02 EXPIRATION OF SEVERANCE PROGRAM INCLUDING STRATEGY AND PROPOSED/ANTICIPATED APPROACH TO ISSUE ( 8) PREP FOR AND PARTICIPATE IN CONF CALL (AND FOLLOWUP CALL ON SAME) REGARDING EX-PATS AND FOREIGN NON-DESTOR EMPLOYEE - PAYROLL AND SEVERANCE ISSUES (1 7)
		21 90	
HENRY S	12/03/02	0 40	WORK ON STRATEGY RE KERP ( 40)
HENRY S	12/04/02	3 60	WORK ON SEVERANCE PROGRAM REPLY BRIEF (1 9) WORK RE CHART ON SEVERANCE PROGRAM ( 8) REVIEW PLAN DOCUMENTS ( 9)
HENRY S	12/05/02	2 30	WORK ON UNDERSTANDING KERP PROGRAM IN PREPARATION FOR HEARINGS AND NEGOTIATIONS AND HISTORY WITH BANK GROUP RE SAME (2 3)
HENRY S	12/06/02	1 90	REVIEW OF VERIFIED REPLY BRIEF AND SUPPLEMENTAL OBJECTION TO EMPLOYEE MOTION AND WORK RE STRATEGY RE SAME AND PREPARATIONS FOR HEARING (1 9)
HENRY S	12/09/02	4 10	MEET WITH WITNESSES TO PREPARE FOR HEARING (1 8) REVISE WITNESS SHEETS (1 1) WORK ON LEGAL ARGUMENTS REVIEWING CASES ( 8) MEET WITH PARKER RE STRATEGY ( 4)
HENRY S	12/11/02	4 70	WORK ON TRANSITION RE SEVERANCE AND KERP ISSUES INCLUDING DISTRIBUTION OF PAPERS TO R&G AND FOLLOW THROUGH ON COMPANY REQUEST RE RESPONSES TO ISSUES RAISED BY COURT AND CREDITORS (4 7)
HENRY S	12/12/02	3 40	WORK ON TRANSITIONING SEVERANCE MATTER TO ROPES AND GRAY AND FOLLOW UP ON MATTER RE CHART IN RESPONSE TO COURT S INQUIRIES WITH LAZARD (2 1) WORK WITH LAZARD TO COMMUNICATE QUESTIONS SO LAZARD CAN PREPARE INFORMATION FOR USE BY ROPES AND GRAY (1 3)



SKADDEN, ARPS SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

20 40

MILMOE J	12/02/02	0 80	CALLS W/S BOWMAN AND OTHERS AT COMPANY RE EMPLOYEE ISSUES (0 4) ANALYSIS RE SEVERANCE POSITION (0 4)
MILMOE J	12/03/02	0 70	CONF CALL S BOWMAN RE POSTPONEMENT OF HEARING ON SEVERANCE AND GOING-FORWARD STRATEGY ( 7)
MILMOE J	12/04/02	0 70	CONF CALL W/IRA PARKER AND S BOWMAN RE IMPACT ON EMPLOYEE MORALE AND POSSIBLE COMPROMISES (0 7)
MILMOE J	12/05/02	1 10	CALLS W/CLIENT RE CHANGES TO SEVERANCE MOTION AND STRATEGY (0 7) CALLS W/D BARTNER RE PROPOSED COMPROMISE (0 4)
MILMOE J	12/06/02	0 80	CALLS W/CREDITORS COMM AND D BARTNER RE PROPOSED COMPROMISE/SUPPORT FOR COMPANY SEVERANCE PLAN ( 8)
MILMOE J	12/08/02	0 60	REVIEW MATERIALS FOR PRESENTATION AND OBJECTION ( 6)
MILMOE J	12/09/02	1 90	MEETING W/SR MANAGEMENT TO PREP FOR HEARING ON SEVERANCE (1 1) CALLS TO BANK COUNSEL AND CREDITOR S COUNSEL AND OTHER INTERESTED PARTIES RE SUPPORT FOR MOTION (0 8)
MILMOE J	12/13/02	0 60	TRANSITION ASSISTANCE CALL W/PAUL GUDONIS AND BILL MCCARTHY RE BANK S POSITION (0 6)
MILMOE J	12/16/02	0 60	TRANSITION ASSISTANCE CALL BILL MCCARTHY AND PROVIDE BACKGROUND RE KERP AND ERISA RENEWAL (0 6)
MILMOE J	12/17/02	0 60	TRANSITION ASSISTANCE TEL CALLS W/IRA PARKER AND BILL MCCARTHY RE POSSIBLE COMPROMISES ON EMPLOYEE RETENTION/KERP (0 6)
MILMOE J	12/18/02	0 90	TRANSITION ASSISTANCE CALLS W/PAUL GUDONIS AND IRA PARKER RE APPROACH TO RESOLVING EMPLOYEE MOTION (0 7) FOLLOW UP CALL W/BILL MCCARTHY RE SAME (0 2)
MILMOE J	12/23/02	0 90	TRANSITION ASSISTANCE REVIEW 12/17 TRANSCRIPT AND CALL W/IRA PARKER RE HOW TO COMPROMISE ( 9)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

		10 20	
<b>Total Partner</b>		<b>52 50</b>	
BARRETT DE	12/04/02	3 30	WORK ON REPLY BRIEF FOR SEVERANCE PROGRAM (1 8) RESEARCH REGARDING TREATMENT OF SEVERANCE CLAIMS (1 5)
BARRETT DE	12/05/02	8 70	RESEARCH REGARDING WARN ACT (2 3) REVIEW OF ASSET PURCHASE AGREEMENT FOR REPLY BRIEF ON SEVERANCE PROGRAMS (0 7) REVISION OF REPLY BRIEF ON SEVERANCE (3 6) RESEARCH REGARDING TREATMENT OF SEVERANCE CLAIMS (2 1)
BARRETT DE	12/06/02	2 70	REVISION AND FILING OF SEVERANCE REPLY BRIEF (2 7)
BARRETT DE	12/09/02	0 90	RESEARCH REGARDING SEVERANCE PAY AS ADMINISTRATIVE EXPENSE (0 9)
		15 60	
ENGELHARDT L	12/05/02	1 20	DISTRIBUTE BANKRUPTCY FILINGS TO COMPANY PERSONNEL ( 5) REVIEW AND ANALYZE OBJECTIONS TO SEVERANCE ( 7)
ENGELHARDT L	12/06/02	0 50	REVIEW JP MORGAN CHASE OBJECTION AND VERIFIED REPLY MEMORANDUM ( 5)
ENGELHARDT L	12/08/02	0 90	DRAFT SEVERANCE ORDER AND PREPARE SEVERANCE DOCUMENTS FOR 12/9 HEARING ( 9)
		2 60	
HOFF CL	11/29/02	0 90	REVISED KERP MOTION BASED ON M HILEMAN S COMMENTS ( 9)
HOFF CL	12/04/02	2 20	MET WITH J PISCATELLO RE REVISIONS TO KERP MOTIONS ( 6) WORK RE SAME (1 6)
HOFF CL	12/06/02	9 10	WORK RE REVIEW OF SEVERANCE ISSUES (2 4) REVIEWED BACK-UP INFORMATION RE SAME (2 2) TELEPHONE CALLS TO/FROM D FELDMAN RE SAME ( 8) WORK RE KERP MOTION (1 8) REVIEW OF UPDATED BACK-UP MATERIALS (1 9)
HOFF CL	12/09/02	4 10	PREPARATION FOR HEARING RE SEVERANCE MOTION (4 1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

HOFF CL	12/11/02	2 10	PREPARED SUMMARY FOR ROPES & GRAY FOR TRANSITION OF KERP MOTION (2 1)
HOFF CL	12/13/02	2 30	TELEPHONE CALLS WITH S AVRUCH RE TRANSITION OF KERP PAPERS ( 5) WORK RE SAME (1 8)
HOFF CL	12/17/02	2 60	WORK RE TRANSFER OF EMPLOYEE BACK-UP DOCUMENTS (1 9) TELEPHONE CALL TO R MARTIN RE SAME ( 3) REVIEWED ORDERS RE SAME ( 4)
		<b>23 30</b>	
HURST DR	12/06/02	0 30	REVIEW OBJECTIONS TO EMPLOYEE MOTION ( 3)
		0 30	
<b>Total Associate</b>		<b>41 80</b>	
<b>MATTER TOTAL</b>		<b><u>94 30</u></b>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity, Inc (DIP)  
 Lease Real Property

Bill Date 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
HENRY S	12/03/02	0 10	T/C ED O BRIEN RE 100 WALL STREET ( 1)
HENRY S	12/04/02	0 30	FOLLOW UP CALL AND EMAIL TO O BRIEN RE WALL STREET PROPERTY ( 3)
HENRY S	12/11/02	0 40	TRANSITION ASSISTANCE RESPOND TO MESSAGE FROM LANDLORD RE TRANSFER OF TEXAS SPACE AND FOLLOW UP RE SAME ( 4)
		0 80	
<b>Total Partner</b>		0 80	
BROWN-EDWARDS TV	12/04/02	3 20	WORK ON MOTION NOTICE AND ORDER RE REJECTION OF NON-RESIDENTIAL REAL PROPERTY LEASES (3 2)
		3 20	
HOFF CL	12/09/02	0 90	TELEPHONE CALLS TO/FROM O HIDLEY RE LEASE REJECTION ISSUES ( 9)
		0 90	
HURST DR	12/04/02	1 80	CONFERENCE CALL W/ O HIDLEY ET AL RE LEASE REJECTION ISSUES ( 6) WORK ON ISSUES RE SAME (1 2)
HURST DR	12/06/02	2 90	WORK ON ISSUES RE REJECTION OF UNNECESSARY REAL PROPERTY LEASES (1 4) REVISE PLEADINGS RE SAME (1 5)
HURST DR	12/08/02	1 20	CONTINUE TO WORK ON PLEADINGS RE REJECTION OF NONRESIDENTIAL REAL PROPPRTY LEASES (1 2)
HURST DR	12/09/02	1 80	TRANSITION ASSISTANCE CONTINUE TO REVISF LEASE REJECTION PLEADINGS INCLUDING REVISIONS TO EXHIBIT (1 4) DRAFT CORRESPONDENCE TO O HIDLEY ET AL RE SAME ( 1) DRAFT CORRESPONDENCE TO AND PHONE CONF W/ J LONGMIRE RE SAME ( 3)

SKADDEN, ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

HURST DR	12/10/02	0 70	TRANSITION ASSISTANCE WORK ON ISSUES RE REJECTION OF CERTAIN REAL PROPERTY LEASES ( 6) PHONE CONF W/ S WILKINSON RE SAME ( 1)
HURST DR	12/11/02	0 40	TRANSITION ASSISTANCE PHONE CONF W/ O HIDLEY RE REAL PROPERTY REJECTION ISSUES ( 2) FOLLOWUP RE SAME ( 2)
HURST DR	12/12/02	1 20	TRANSITION ASSISTANCE FINALIZE LEASE REJECTION PLEADINGS (1 2)
		10 00	
Total Associate		14 10	
MATTER TOTAL		<u>14 90</u>	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

**ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL**

**Genuity, Inc (DIP)  
Non-Working Travel Time**

**Bill Date: 01/08/03  
Bill Number: 948614**

<b>NAME</b>	<b>DATE</b>	<b>HOURS</b>	<b>DESCRIPTION</b>
DAVIS EM	11/27/02	2 40	TRAVEL BACK TO WILMINGTON FROM NY AND FILING (2 4)
DAVIS EM	12/02/02	1 50	TRAVEL BACK TO DELAWARE AFTER HEARING (1 5)
DAVIS EM	12/05/02	3 10	TRAVEL BACK TO NYC - TRAINS DELAYED (3 1)
DAVIS EM	12/09/02	2 10	TRAVEL BACK TO WILMINGTON AFTER HEARING (2 1)
DAVIS EM	12/11/02	4 70	TRAVEL BACK TO WILMINGTON FROM BOSTON MEETING W/ ROPES & GRAY (4 7)
DAVIS EM	12/12/02	2 40	TRAVEL BACK TO WILMINGTON AFTER TRANSITIONING AND PREPPING ROPES FOR MEETING WITH COMMITTEE (2 4)
		<b>16 20</b>	
HENRY S	11/27/02	3 50	TRAVEL FROM COMPANY TO NY (3 5)
		<b>3 50</b>	
<b>Total Partner</b>		<b>19 70</b>	
COHEN RE	12/05/02	1 40	COMMUTE TO WOBURN FACILITY ( 6) COMMUTE FROM WOBURN TO SKADDEN BOSTON OFFICE ( 8)
COHEN RE	12/06/02	1 10	COMMUTE TO WOBURN ( 5) COMMUTE FROM WOBURN TO OFFICE ( 6)
		<b>2 50</b>	
DECICCO A	12/06/02	1 30	TRAVEL TO AND FROM CLIENT LOCATION (1 3)
		<b>1 30</b>	
DERDERIAN JG	12/05/02	4 10	TRAVEL FROM NEW YORK TO BOSTON (4 1)
DERDERIAN JG	12/07/02	4 30	TRAVEL FROM BOSTON TO NEW YORK (4 3)
		<b>8 40</b>	
ENGELHARDT L	12/09/02	1 20	TRAVEL TO AND FROM HEARING (1 2)
		<b>1 20</b>	

**SKADDEN ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES**

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

HOFF CL	12/02/02	2 90	TRAVEL FROM NEW YORK TO BOSTON/WOBURN (2 9)
HOFF CL	12/05/02	6 90	TRAVEL FROM WOBURN/BOSTON TO NEW YORK (6 9)
		<b>9 80</b>	
HURST DR	11/27/02	2 70	TRAVEL FROM NEW YORK NY TO NEWARK DE (2 7)
HURST DR	12/02/02	2 50	TRAVEL FROM NEWARK DE TO NEW YORK NY (2 5)
HURST DR	12/04/02	2 60	TRAVEL FROM NEW YORK NY TO NEWARK DE (2 6)
HURST DR	12/09/02	5 30	TRAVEL FROM NEWARK DE TO NEW YORK NY (2 5) RETURN TRIP FROM NEW YORK NY TO NEWARK DE (2 8)
HURST DR	12/12/02	2 70	TRAVEL FROM NEWARK DE TO NEW YORK NY (2 7)
HURST DR	12/13/02	2 40	TRAVEL FROM NEW YORK NY TO WILMINGTON DE (2 4)
		<b>18 20</b>	
JANIS DT	12/04/02	1 30	ROUND-TRIP TRAVEL BETWEEN BOSTON AND WOBURN (1 3)
JANIS DT	12/06/02	1 20	ROUND-TRIP TRAVEL FROM BOSTON TO WOBURN (1 2)
JANIS DT	12/09/02	1 10	ROUND-TRIP TRAVEL FROM BOSTON TO WOBURN (1 1)
JANIS DT	12/10/02	1 10	ROUND-TRIP TRAVEL FROM BOSTON TO WOBURN (1 1)
JANIS DT	12/18/02	1 50	TRAVEL FROM BOSTON TO WOBURN AND BACK (1 5)
		<b>6 20</b>	
<b>Total Associate</b>		<b>47 60</b>	
KAICHER DC	12/02/02	1 40	TRAVEL TO/FROM WOBURN (1 4)
KAICHER DC	12/03/02	1 20	TRAVEL TO/FROM WOBURN (1 2)
KAICHER DC	12/04/02	1 20	TRAVEL TO/FROM WOBURN (1 2)
KAICHER DC	12/05/02	1 80	TRAVEL TO/FROM WOBURN (1 8)
KAICHER DC	12/06/02	1 50	TRAVEL TO/FROM WOBURN (1 5)
KAICHER DC	12/09/02	1 20	TRAVEL TO/FROM WOBURN (1 2)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

KAICHER DC	12/10/02	1 20	TRAVEL TO/FROM WOBURN (1 2)
KAICHER DC	12/11/02	1 30	TRAVEL TO/FROM WOBURN (1 3)
KAICHER DC	12/12/02	1 40	TRAVEL TO/FROM WOBURN (1 4)
KAICHER DC	12/13/02	1 50	TRAVEL TO/FROM WOBURN (1 5)
KAICHER DC	12/16/02	1 70	TRAVEL TO/FROM WOBURN (1 7)
KAICHER DC	12/17/02	1 70	TRAVEL TO/FROM WOBURN (1 7)
KAICHER DC	12/30/02	1 50	TRAVEL TO/FROM WOBURN (1 5)
		18 60	
Total Legal Assist Support		18 60	
MATTER TOTAL		<u>85 90</u>	



SKADDEN, ARPS SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity Inc (DIP)  
 Reports and Schedules

Bill Date: 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
ENGELHARDT L	12/06/02	0 40	REVIEW INSURANCE DOCUMENTS SENT BY CLIENT FOR U S TRUSTEE AND SUPERVISE CIRCULATION OF SAME ( 4)
		0 40	
HURST DR	12/05/02	1 20	WORK ON ISSUES RE PREPARATION OF MONTHLY OPERATING REPORTS (1 2)
		1 20	
WIDDOSS PA	12/06/02	0 80	TELEPHONE CALLS WITH COMPANY RE INSURANCE CERTIFICATES ( 2) TELEPHONE CALLS WITH TRUSTEE RE MORS ( 2) CORRESPONDENCE TO COMPANY RE SAME ( 1) PREPARE SERVICE LIST FOR SAME INCLUDING PARTIES REQUESTING ADDITION UNDER UTILITIES ORDER ( 3)
WIDDOSS PA	12/09/02	0 60	TRANSITION ASSISTANCE CORRESPONDENCE WITH COMPANY RE MORS AND REPORTING REQUIREMENTS ( 6)
		1 40	
Total Associate		3 00	
MATTER TOTAL		<u>3 00</u>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity, Inc (DIP)  
 Retention/Fee Matter (SASM&F)

Bill Date 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	12/03/02	0 70	WORK ON STRATEGY AND FORM OF MILMOE SUPPLEMENTAL AFFIDAVIT ( 3) REVIEW AND REVISE DRAFT OF SAME ( 4)
DAVIS EM	12/06/02	0 70	CONTINUE REVIEW AND COMMENT ON MILMOE SUPPLEMENTAL AFFIDAVIT AND I PARKER AFFIDAVIT ( 7)
DAVIS EM	12/17/02	0 20	REVIEW NEW APP UNDER 327(E) ( 2)
DAVIS EM	12/18/02	0 60	CONTINUE TO REVIEW 327(E) APPLICATION AND PROVIDE COMMENTS TO SAME ( 6)
		2 20	
HENRY S	12/02/02	0 40	T/C U S TRUSTEE AND CHAMBERS RE RETENTION ISSUES AND WORK ON SAME ( 4)
HENRY S	12/03/02	2 30	WORK ON SUPPLEMENTAL RETENTION AFFIDAVIT (2 3)
HENRY S	12/04/02	2 10	WORK RE PARKER AFFIDAVIT ( 8) WORK ON INFORMATION GATHERING RE SUPPLEMENTAL AFFIDAVIT (1 3)
HENRY S	12/17/02	0 60	WORK ON 327(E) PAPERS ( 6)
		5 40	
MILMOE J	12/01/02	1 30	ANALYSIS RE COURT S CONCERNS (0 4) REVIEW SASM&F APPLICATION AND B CODE RE DISINTERESTEDNESS TO RESPOND TO COURT S CONCERNS (0 9)
MILMOE J	12/02/02	1 20	CALLS W/U S TRUSTEE AND COURT RE CONFLICT CONCERNS (0 8) RESEARCH INVOLVEMENT OF H KAPLAN (0 4)
MILMOE J	12/04/02	2 80	DRAFT EDIT REVISE AND RESEARCH FACTS FOR JGM AFFIDAVIT IN SUPPORT OF RETENTION INCLUDING CALLS W/CLIENTS RE SAME (2 8)
MILMOE J	12/05/02	1 50	CALLS TO AND FROM IRA PARKER RE RETENTION ISSUE (0 6) DRAFT REVISE AND EDIT AFFIDAVIT RE RETENTION AND CONFLICTS (0 9)

**SKADDEN ARPS SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

**ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL**

MILMOE J	12/06/02	2 80	DRAFT AND REVIEW IRA PARKER DECLARATION AND INCORPORATE HIS COMMENTS (2 1) FINALIZE JGM AFFIDAVIT (0 3) CALLS W/D BARTNER AND DAVE FELDMAN RE SAME (0 4)
MILMOE J	12/09/02	4 40	ATTEND HEARING AND FOLLOW UP CONFERENCE W/JUDGE U S TRUSTEE CREDITOR S COMM (1 6) CONFER W/CLIENT RE ISSUES AND POSSIBILITIES (1 5) CALLS TO ROPES & GRAY AND OTHER POSSIBLE COUNSEL (1 3)
MILMOE J	12/12/02	0 30	CALLS W/ROPE & GRAY AND COMPANY RE TRANSITION ( 3)
MILMOE J	12/16/02	0 80	REVIEW AND REVISE SECTION 327(E) APPLICATION (0 4) VERIFY PREPETITION TIME CHARGES (0 4)
MILMOE J	12/17/02	1 10	REVIEW AND REVISE SECTION 327(E) APPLICATION (0 6) CALLS W/S HENRY AND U S TRUSTEE RE SAME (0 5)
MILMOE J	12/19/02	0 10	REVIEW ROPES & GRAY MEMO AND CALL BILL MCCARTHY RE SAME ( 1)
MILMOE J	12/27/02	0 60	REVIEW AND REVISE 327 (E) ( 6)
		<b>16 90</b>	
<b>Total Partner</b>		<b>24 50</b>	
BARRETT DE	12/02/02	1 20	PREPARATION OF SUPPLEMENTAL AFFIDAVIT IN SUPPORT OF SKADDEN RETENTION (1 2)
BARRETT DE	12/03/02	7 90	PREPARATION AND REVISION OF SUPPLEMENTAL AFFIDAVIT IN SUPPORT OF SKADDEN RETENTION (4 9) RESEARCH REGARDING BANKRUPTCY FIRMS (1 4) WORK ON SERVICE LISTS (0 4) PREPARATION OF IRA PARKER DECLARATION IN SUPPORT OF SKADDEN RETENTION (1 2)
BARRETT DE	12/04/02	4 60	PREPARATION OF IRA PARKER DECLARATION (2 7) WORK ON SUPPLEMENTAL AFFIDAVIT FOR SKADDEN RETENTION (1 9)
BARRETT DE	12/06/02	0 70	REVIEW OF IRA PARKER DECLARATION (0 7)
BARRETT DE	12/09/02	1 70	REVIEW AND REVISE SKADDEN RETENTION QUESTIONNAIRE (1 7)

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

**ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL**

BARRETT DE	12/13/02	4 00	PREPARATION OF 327(E) APPLICATION INCLUDING REVIEW OF ROPES & GRAY RETENTION PAPERS (3 4) REVISION OF 327(E) ORDER (0 6)
BARRETT DE	12/14/02	3 40	WORK ON 327(E) RETENTION APPLICATION INCLUDING PREPARATION AND REVIEW OF THE APPLICATION AND REVIEW OF PROPOSED ORDER (3 4)
BARRETT DE	12/15/02	3 70	REVISION OF SKADDEN 327(E) APPLICATION (3 7)
BARRETT DE	12/16/02	2 90	CONTINUED WORK ON 327(E) APPLICATION (1 4) WORK ON 327(E) ORDER (0 8) WORK ON SKADDEN RETENTION QUESTIONNAIRE (0 7)
BARRETT DE	12/17/02	3 60	REVISION OF SKADDEN RETENTION QUESTIONNAIRE (0 8) CONTINUED WORK ON SKADDEN 327(E) APPLICATION AND ORDER (2 8)
BARRETT DE	12/23/02	2 70	FINALIZE SKADDEN 327(E) APPLICATION AND ORDER FOR FILING (2 4) REVISION OF CONFLICTS PARTIES LIST (0 3)
BARRETT DE	12/27/02	2 60	WORK ON RETENTION SCREENING QUESTIONNAIRE (2 6)
BARRETT DE	12/30/02	2 60	WORK ON RETENTION SCREENING QUESTIONNAIRE (2 6)
		<b>41 60</b>	
EPSTEIN J	12/09/02	0 40	RESEARCH RE CONFLICTS ( 4)
		0 40	
<b>Total Associate</b>		<b>42 00</b>	
KREINER ML	12/30/02	1 40	BEGIN WORK ON RETENTION QUESTIONNAIRE (1 4)
		1 40	
<b>Total Legal Assistant</b>		<b>1 40</b>	
ROMAN JJ	12/09/02	3 30	WORK ON CONFLICTS AND SUBSIDIARIES LIST RE RETENTION QUESTIONNAIRE (3 3)
		3 30	
<b>Total Legal Assist Support</b>		<b>3 30</b>	
<b>MATTER TOTAL</b>		<b><u>71 20</u></b>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity Inc (DIP)  
Retention/Fee Matters/Objections (Others)

Bill Date 01/08/03  
Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
HENRY S	12/04/02	0 70	REVIEW FROST BROWN EMAIL AND FOLLOW UP RE ORDINARY COURSE PROFESSIONAL ORDER ( 3) WORK ON REQUEST FOR INFORMATION RE E&Y RETENTION FROM O BRIEN AND FOLLOW UP ( 40)
HENRY S	12/05/02	0 50	WORK ON MATTERS RE ORDINARY COURSE PROFESSIONAL MOTION AND INQUIRY OF SERVICE PROVIDER ( 5)
		1 20	
MILMOE J	12/03/02	0 60	CALLS W/IRA PARKER AND M HILEMAN RE SHAPIRO MITCHELL AND ROPES AND GRAY ( 6)
MILMOE J	12/13/02	0 70	TRANSITION ASSISTANCE CALLS W/ROPE & GRAY AND BILL HIRSCHBERGER AND IRA PARKER RE OBTAINING NEGATIVE WAIVER BY BANKS FOR ROPES & GRAY (0 7)
		1 30	
<b>Total Partner</b>		2 50	
ENGELHARDT L	12/06/02	0 40	REVIEW AND CIRCULATE ROPES & GRAY SIGNED RETENTION ORDER ( 4)
		0 40	
EPSTEIN J	12/06/02	4 50	RESEARCH ON INDEMNITY PROVISIONS IN PROFESSIONAL CONTRACTS (3 9) REVIEWING OCP AFFIDAVIT FILING REQUIREMENTS ( 6)
EPSTEIN J	12/27/02	1 30	TRANSITIONING OCP DOCUMENTS TO ROPES AND GRAY (1 3)
EPSTEIN J	12/30/02	1 00	TRANSITIONING OCP DOCUMENTS TO ROPES AND GRAY (1 0)
		6 80	
HOFF CL	12/04/02	1 60	COORDINATED FILING OF VARIOUS PROFESSIONAL RETENTION APPLICATIONS AND REVIEW OF SAME (1 6)
		1 60	
HURST DR	12/03/02	1 60	WORK ON RETENTION ISSUES FOR ROPES & GRAY DONLIN ALVAREZ & MARSAL (1 6)

SKADDEN ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

HURST DR	12/05/02	1 70	WORK ON ISSUES RE RETENTION OF ORDINARY COURSE PROFESSIONALS (1 1) WORK ON ISSUES RE RETENTION OF ERNST & YOUNG ( 6)
HURST DR	12/06/02	0 30	CONTINUE TO WORK ON ISSUES RE RETENTION OF ORDINARY COURSE PROFESSIONALS ( 3)
		3 60	
WIDDOSS PA	11/27/02	1 10	PREPARATIONS FOR FIRST-DAY HEARING INCLUDING COORDINATION OF FILING OF PROFESSIONAL APPLICATIONS (1 1)
WIDDOSS PA	12/02/02	0 50	TELEPHONE CALLS AND CORRESPONDENCE WITH MORRISON & FOERSTER RE OCP AND OCP ORDER ( 4) DISTRIBUTE ORDER TO SAME ( 1)
WIDDOSS PA	12/03/02	3 10	BEGIN RESEARCH AND DRAFTING A&M RETENTION PLEADINGS (2 2) TELEPHONE CALL WITH R&G RE RETENTION PLEADINGS ( 3) WORK ON ISSUES RE E&Y RETENTION PLEADINGS ( 6)
WIDDOSS PA	12/04/02	3 70	CONTINUE DRAFTING A&M RETENTION PLEADINGS INCLUDING APPLICATION AFFIDAVIT AND ORDER (2 1) PREPARE MEMO TO OCPS RE ENTRY OF ORDER DECLARATIONS AND PAYMENT RESTRICTIONS ( 8) REVIEW SERVICE LISTS AND COORDINATE WITH DONLIN RE SERVICE OF SAME ( 8)
WIDDOSS PA	12/05/02	1 90	PREPARE NOTICE OF ADDITIONAL OCP FOR FROST BROWN ( 6) CORRESPONDENCE AND TELEPHONE CALLS WITH S SCOGGINS RE SAME ( 3) TELEPHONE CALL WITH COMPANY RE SAME ( 1) TELEPHONE CALL WITH COMPANY RE E&Y RETENTION ( 1) REVIEW AND REVISE MORRISON & FOERSTER APPLICATION ( 2) CONTINUE WORKING ON A&M RETENTION PLEADINGS ( 6)

SKADDEN, ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

WIDDOSS PA	12/06/02	6 10	REVIEW REVISE AND FINALIZE DRAFT OF A&M RETENTION PLEADINGS (3 4) RESEARCH RE AND TELEPHONE CALL WITH A STAMATO RE FOREIGN LEGAL WORK ( 2) PREPARE OCP DECLARATION AND QUESTIONNAIRE AND RELATED DOCUMENTS FOR FORWARDING TO S SCOGGINS ( 6) TELEPHONE CALL WITH COMPANY RE SAME ( 1) PREPARE SERVICE LIST FOR OCP DECLARATIONS ( 2) COORDINATE PROCEDURES FOR FILING AND SERVICE OF DECLARATIONS AND PROVISION OF RELEVANT DOCUMENTS TO REQUESTING OCPs (1 2) BEGIN RESEARCH ON ISSUE OF PROFESSIONAL INDEMNIFICATION ( 4)
WIDDOSS PA	12/09/02	3 10	TRANSITION ASSISTANCE TELEPHONE CALL WITH ALVAREZ REPRESENTATIVE RE REVISIONS TO AFFIDAVIT RE CONFLICTS ( 2) TELEPHONE CALLS WITH D WALSH RE REVISIONS TO APPLICATION AND AFFIDAVIT ( 4) REVISE APPLICATION AND AFFIDAVIT ( 7) PREPARE CORRESPONDENCE AND RELATED CHART FOR COMPANY RE AUTHORIZED PAYMENTS TO PROFESSIONALS (1 8)
WIDDOSS PA	12/10/02	0 70	TRANSITION ASSISTANCE TELEPHONE CALLS WITH A&M RE REVISIONS TO RETENTION PLEADINGS ( 3) REVIEW AND REVISE SAME AND REDISTRIBUTE ( 4)
WIDDOSS PA	12/11/02	1 10	TRANSITION ASSISTANCE REVIEW AND REVISE A&M AFFIDAVIT ( 7) TELEPHONE CALLS AND CORRESPONDENCE WITH A&M RE SAME ( 4)
WIDDOSS PA	12/16/02	1 20	TRANSITION ASSISTANCE PREPARE CORRESPONDENCE TO W PYRON RE OCP DECLARATION ( 2) TELEPHONE CALL WITH E FONTANA RE STATUS OF OCP MATTERS AND RETENTION PLEADINGS ( 2) PREPARE CORRESPONDENCE TO SAME RE SAME ( 7) TELEPHONE CALL TO A&M RE RETENTION PLEADINGS ( 1)
WIDDOSS PA	12/17/02	0 70	TRANSITION ASSISTANCE TELEPHONE CALL WITH A&M RE RETENTION PLEADINGS ( 2) TELEPHONE CALL WITH COMPANY RE E&Y RETENTION PLEADINGS ( 2) PREPARE CORRESPONDENCE TO COMPANY AND R&G RE STATUS OF E&Y RETENTION ( 3)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

WIDDOSS PA	12/18/02	1 00	TRANSITION ASSISTANCE TELEPHONE CALLS WITH A&M RE TRANSITION OF RETENTION PLEADINGS ( 4) CORRESPONDENCE WITH R&G RE SAME ( 2) TELEPHONE CALL WITH C GOLDBLATT RE OCP DECLARATION ( 2) CORRESPONDENCE TO SAME RE SAME ( 2)
WIDDOSS PA	12/19/02	0 40	TRANSITION ASSISTANCE CORRESPONDENCE WITH BAKER RE STATUS OF RETENTION PLEADINGS ( 2) CORRESPONDENCE WITH R&G RE SAME ( 2)
		24 60	
Total Associate		37 00	
MATTER TOTAL		<u>39 50</u>	



SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity, Inc (DIP)  
 Utilities

Bill Date 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	12/04/02	0 60	CALLS ON ISSUES OF UTILITIES DISCONTINUING SERVICES ( 3) REVIEW CORRESPONDENCE ON SAME ( 2) SET UP RESPONSE STRATEGY WITH GROUP ( 1)
		0 60	
HENRY S	11/30/02	2 70	READ UTILITIES TRANSCRIPT OBTAIN BOOK ON INTERNET TO ANSWER QUESTIONS AND REVIEW FOR RELEVANT INFORMATION (2 7)
HENRY S	12/02/02	1 10	WORK RE CHANGES TO UTILITIES ORDER ( 8) MEET WITH O BRIEN AND FACT GATHERING RE SAME ( 3)
		3 80	
<b>Total Partner</b>		4 40	
ENGELHARDT L	12/05/02	0 70	TELECONFERENCE WITH O HIDLEY BILL SCOTT AND OTHERS REGARDING UTILITY PROVIDERS ( 7)
		0 70	
HOFF CL	12/06/02	1 00	RESPONDED TO VARIOUS TELEPHONE CALLS FROM GENUITY EMPLOYEES RE UTILITY MOTION EXHIBITS (1 0)
		1 00	
HURST DR	12/11/02	0 60	TRANSITION ASSISTANCE PHONE CONF W/ M PUTNAM RE UTILITY ORDER ( 1) FOLLOWUP RE SAME ( 3) PHONE CONF W/ O HIDLEY RE THREATENED TERMINATION OF UTILITY SERVICE ( 2)
		0 60	
<b>Total Associate</b>		2 30	
<b>MATTER TOTAL</b>		<u>6 70</u>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL

Genuity, Inc (DIP)  
 Vendor Matters

Bill Date 01/08/03  
 Bill Number 948614

NAME	DATE	HOURS	DESCRIPTION
DAVIS EM	11/30/02	1 30	WORK ON PREP FOR PRESENTATION OF CRITICAL AND FOREIGN VENDOR MOTIONS TO COURT INCLUDING PROFFERS OF SAME (1 3)
DAVIS EM	12/03/02	1 60	CORRESPOND WITH COUNSEL FOR DEUTSCHE BANK (DB) ON DISCOVERY ISSUES FOR 12/9 HEARING ( 6) CONTINUE COLLECTING POTENTIAL DISCOVERY ( 8) CALL WITH D MOYNIHAN RE ITALIAN TAX ISSUES AS PART OF FOREIGN TRADE ISSUES ( 2)
DAVIS EM	12/04/02	1 40	CONTINUE WORK ON RESPONDING TO DISCOVERY REQUESTS OF DB (1 4)
DAVIS EM	12/05/02	1 30	WORK ON RESPONDING TO DB S DISCOVERY REQUESTS (1 3)
DAVIS EM	12/06/02	7 10	WORK ON PROVIDING RESPONSIVE DOCUMENTS TO DB S REQUESTS (4 6) CONF CALL WITH D MOYNIHAN ON FOREIGN MATTERS AND OTHER FOREIGN ISSUES ( 9) CONF CALL WITH SWEET ON CRITICAL VENDORS ( 6) CORRESPONDENCE WITH DB RE DISCOVERY ( 2) WORK ON REDACTING PRIVILEGED DOCUMENTS ( 8)
DAVIS EM	12/08/02	1 70	WORK ON PROFFERS AND Q&A S FOR PRESENTATION OF FOREIGN VENDOR AND CRITICAL TRADE MOTIONS (1 2) PREP OUTLINE OF ARGUMENT FOR 12/9 HEARING ON SAME ( 5)
DAVIS EM	12/09/02	2 10	CONF CALL WITH D O BRIEN AND COMPANY REPS ON EVIDENCE IN SUPPORT OF CRITICAL VENDOR AND FOREIGN VENDOR MOTIONS ( 8) PREP D O BRIEN ON SAME INCLUDING GOING OVER Q&A ON SAME (1 0) WORK ON PRESENTATION OUTLINE FOR HEARING ( 3)
DAVIS EM	12/10/02	0 50	TRANSITION - CALL WITH R&G COUNSEL REGARDING NOKIA ISSUE ( 5)

17 00

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

**ATTORNEY WORK PRODUCT  
PRIVILEGED AND CONFIDENTIAL**

HENRY S	12/09/02	3 60	MEET WITH O BRIEN RE CRITICAL VENDORS ( 6) REVIEW CRITICAL VENDOR WITNESS SHEETS AND PROFFERS ( 8) STRATEGY DISCUSSIONS WITH CLIENT (2 2)
		3 60	
<b>Total Partner</b>		<b>20 60</b>	
ENGELHARDT L	12/05/02	1 90	TELECONFERENCE WITH K NGYUEN RE JAPAN IRU ( 4) ANSWERED VENDOR QUESTIONS AND SENT CREDITORS REQUESTED DOCUMENTS (1 5)
		1 90	
HURST DR	12/04/02	1 10	WORK ON ISSUES RE THREATENED INTERRUPTION OF SERVICE BY SUPPLIER ( 6) WORK ON ISSUES RE CONTRACTOR SEEKING PAYMENT OF AMOUNTS SUBJECT TO MECHANICS LIEN ( 5)
HURST DR	12/09/02	0 10	TRANSITION ASSISTANCE DRAFT CORRESPONDENCE TO O HIDLEY RE DANCRIS/RSL ISSUES ( 1)
HURST DR	12/16/02	0 20	TRANSITION ASSISTANCE RETURN CALL TO D DELANEY RE THREATENED TERMINATION OF SERVICE ( 1) DRAFT CORRESPONDENCE TO P CAREY RE VENDOR ISSUE ( 1)
HURST DR	12/17/02	0 40	TRANSITION ASSISTANCE DRAFT CORRESPONDENCE TO R MARTIN ET AL RE VENDOR ISSUES ( 4)
		1 80	
<b>Total Associate</b>		<b>3 70</b>	
<b>MATTER TOTAL</b>		<b><u>24 30</u></b>	
<b>CLIENT TOTAL</b>		<b><u>1,736 40</u></b>	

Exhibit D

324577 02 Wilmington SIA

**SKADDEN, ARPS, SLATE MEAGHER & FLOM LLP AND AFFILIATES**

Genuity Inc (DIP)  
Asset Dispositions

Bill Date 01/08/03  
Bill Number: 948614

Disbursement	Date	Vendor/Employee	Amount
Air travel - vendor feed	12/04/02	Davis EM	198 00
Air travel - vendor feed	12/12/02	Coit KA	237 00
		<b>TOTAL AIR TRAVEL - VENDOR FEED</b>	<b>\$435 00</b>
In-house Reproduction	12/06/02	Copy Center D	1 30
In-house Reproduction	12/06/02	Copy Center D	1028 50
In-house Reproduction	12/10/02	Copy Center D	15 60
In-house Reproduction	12/10/02	Copy Center D	30 60
In-house Reproduction	12/10/02	Copy Center D	158 10
In-house Reproduction	12/13/02	Copy Center D	2 70
In-house Reproduction	12/17/02	Copy Center D	1 00
In-house Reproduction	12/20/02	Copy Center D	0 20
In-house Reproduction	12/20/02	Copy Center D	28 30
In-house Reproduction	12/24/02	Copy Center D	6 90
		<b>TOTAL IN-HOUSE REPRODUCTION</b>	<b>\$1 273 20</b>
Telephone Expense	11/27/02	Telecommunications D	2 25
Telephone Expense	12/27/02	Telecommunications D	0 01
Telephone Expense	12/27/02	Telecommunications D	0 03
Telephone Expense	12/27/02	Telecommunications D	0 07
Telephone Expense	12/27/02	Telecommunications D	0 11
Telephone Expense	12/27/02	Telecommunications D	0 36
Telephone Expense	12/27/02	Telecommunications D	0 51
Telephone Expense	12/27/02	Telecommunications D	0 63
Telephone Expense	12/27/02	Telecommunications D	1 05
Telephone Expense	12/27/02	Telecommunications D	2 55
Telephone Expense	12/27/02	Telecommunications D	2 91
Telephone Expense	12/27/02	Telecommunications D	5 49
Telephone Expense	12/27/02	Telecommunications D	14 92
Telephone Expense	12/27/02	Telecommunications D	23 47
Telephone Expense	12/27/02	Telecommunications D	105 63

**SKADDEN ARPS, SLATE MEAGHER & FLOM LLP AND AFFILIATES**

<b>Disbursement</b>	<b>Date</b>	<b>Vendor/Employee</b>	<b>Amount</b>
		<b>TOTAL TELEPHONE EXPENSE</b>	<b>\$159 99</b>
Out-of-Town Travel	12/03/02	Kaicher DC	2 75
Out-of-Town Travel	12/05/02	Kaicher DC	2 75
Out-of-Town Travel	12/05/02	Derderian JG	471 67
Out-of-Town Travel	12/06/02	Kaicher DC	5 50
Out-of-Town Travel	12/10/02	Kaicher DC	5 50
Out-of-Town Travel	12/11/02	Kaicher DC	60 00
Out-of-Town Travel	12/12/02	Kaicher DC	5 50
Out-of-Town Travel	12/12/02	Coit KA	41 00
Out-of-Town Travel	12/13/02	Kaicher DC	70 00
		<b>TOTAL OUT-OF-TOWN TRAVEL</b>	<b>\$664 67</b>
Messengers/ Courier	12/04/02	Database Car Courier Air Dept	26 44
Messengers/ Courier	12/04/02	Database Car Courier Air Dept	26 44
Messengers/ Courier	12/04/02	Database Car Courier Air Dept	30 07
Messengers/ Courier	12/04/02	Database Car Courier Air Dept	38 94
Messengers/ Courier	12/05/02	Database Car Courier Air Dept	7 71
Messengers/ Courier	12/05/02	Database Car Courier Air Dept	17 71
Messengers/ Courier	12/06/02	Database Car Courier Air Dept	7 71
Messengers/ Courier	12/06/02	Database Car Courier Air Dept	7 71
Messengers/ Courier	12/06/02	Database Car Courier Air Dept	17 71
Messengers/ Courier	12/07/02	Database Car Courier Air Dept	70 20
Messengers/ Courier	12/07/02	Database Car Courier Air Dept	70 20
Messengers/ Courier	12/07/02	Database Car Courier Air Dept	73 58
Messengers/ Courier	12/10/02	Database Car Courier Air Dept	7 71
Messengers/ Courier	12/16/02	Database Car Courier Air Dept	8 75

**SKADDEN, ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES**

<b>Disbursement</b>	<b>Date</b>	<b>Vendor/Employee</b>	<b>Amount</b>
Messengers/ Courier	12/16/02	Database Car Courier Air Dept	20 25
		<b>TOTAL MESSENGERS/ COURIER</b>	<b>\$431 13</b>
Out of Town Meals	12/02/02	Kaicher DC	8 00
Out of Town Meals	12/03/02	Kaicher DC	8 00
Out of Town Meals	12/04/02	Kaicher DC	8 00
Out of Town Meals	12/05/02	Derderian JG	45 30
Out of Town Meals	12/06/02	Kaicher DC	8 00
Out of Town Meals	12/09/02	Levey M	8 00
Out of Town Meals	12/09/02	Kaicher DC	8 00
Out of Town Meals	12/10/02	Kaicher DC	8 00
Out of Town Meals	12/11/02	Kaicher DC	8 00
Out of Town Meals	12/12/02	Kaicher DC	8 00
Out of Town Meals	12/13/02	Kaicher DC	8 00
Out of Town Meals	12/16/02	Kaicher DC	8 00
Out of Town Meals	12/17/02	Kaicher DC	8 00
		<b>TOTAL OUT OF TOWN MEALS</b>	<b>\$141 30</b>
		<b>TOTAL MATTER</b>	<b>\$3 105 29</b>

**SKADDEN, ARPS SLATE MEAGHER & FLOM LLP AND AFFILIATES**

**Genuity, Inc (DIF)  
Business Operations**

**Bill Date 01/08/03  
Bill Number: 948614**

<b>Disbursement</b>	<b>Date</b>	<b>Vendor/Employee</b>	<b>Amount</b>
Telephone Expense	12/27/02	Telecommunications D	0 40
Telephone Expense	12/27/02	Telecommunications D	2 06
Telephone Expense	12/27/02	Telecommunications D	3 25
Telephone Expense	12/27/02	Telecommunications D	14 45
		<b>TOTAL TELEPHONE EXPENSE</b>	<b>\$20 16</b>
Telephone Expense - AT&T	12/06/02	Hoff CL	8 00
		<b>TOTAL TELEPHONE EXPENSE - AT&amp;T</b>	<b>\$8 00</b>
Telephone Expense - all other	12/10/02	Hoff CL	29 85
		<b>TOTAL TELEPHONE EXPENSE - ALL OTHER</b>	<b>\$29 85</b>
Air travel - external	12/02/02	Hoff CL	453 00
Air travel - external	12/05/02	Hoff CL	127 00
		<b>TOTAL AIR TRAVEL - EXTERNAL</b>	<b>\$580 00</b>
Out-of-Town Travel	12/02/02	Hoff CL	236 03
Out-of-Town Travel	12/02/02	Hoff CL	373 99
Out-of-Town Travel	12/03/02	Hoff CL	35 00
Out-of-Town Travel	12/05/02	Hoff CL	70 00
Out-of-Town Travel	12/17/02	Hurst DR	9 13
Out-of-Town Travel	12/17/02	Hurst DR	273 80
		<b>TOTAL OUT-OF-TOWN TRAVEL</b>	<b>\$997 95</b>
Out of Town Meals	12/02/02	Hoff CL	6 67
Out of Town Meals	12/03/02	Hoff CL	6 50
Out of Town Meals	12/03/02	Hoff CL	8 50
Out of Town Meals	12/04/02	Hoff CL	9 25
Out of Town Meals	12/04/02	Hoff CL	28 96
Out of Town Meals	12/05/02	Hoff CL	0 93
Out of Town Meals	12/05/02	Hoff CL	0 95
Out of Town Meals	12/05/02	Hoff CL	4 73



SKADDEN, ARPS, SLATE MEAGHER & FLOM LLP AND AFFILIATES

Disbursement	Date	Vendor/Employee	Amount
Out of Town Meals	12/17/02	Hurst DR	6 00
Out of Town Meals	12/17/02	Hurst DR	12 17
Out of Town Meals	12/17/02	Hurst DR	42 70
		TOTAL OUT OF TOWN MEALS	\$127 36
Cellular Phone Expense	12/04/02	Hoff CL	60 06
		TOTAL CELLULAR PHONE EXPENSE	\$60 06
		TOTAL MATTER	\$1 823 38