

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

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 In re: : Chapter 11
 : Case Nos. 02-40187 (REG) through
 GLOBAL CROSSING LTD., et al. : 02-40241 (REG)
 : 02-11982 (REG)
 :
 Debtors, :
 : (Jointly Administered)

**COVER SHEET PURSUANT TO UNITED STATES TRUSTEE GUIDELINES
 FOR REVIEWING APPLICATIONS FOR COMPENSATION AND
 REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.C. §330**

NAME OF APPLICANT: Cox Hallett Wilkinson

TIME PERIOD: 1st May, 2002, through 9th December, 2003

ROLE IN THE CASE: Special Bermuda Insolvency Counsel

APPLICATION: Fees Requested: \$60,671.75
 Expenses requested: 1,420.79

PRIOR APPLICATIONS: Fees Previously Requested: 10,140.00
 Fees Previously Awarded:
 Expenses Previously Requested: 247.26
 Expenses Previously Awarded:

HOURS BILLED

Name	Hours Billed in Current Application	Rate \$	Total Fees Sought in Application
Partners			
David R. Kessaram	27.75 0.80	380 425	10,545.00 340.00
John H. Cooper	64.65 43.36	400 450	25,860.00 19,512.00
Associate			
Omar Sial	6.8	300	2,040.00
Rachel Cabot	1.05	300	315.00
Megan Lewin	2.9 3.10	275 300	797.50 930.00
Jenkinson, Sy	4.05	85	332.25

COX HALLETT WILKINSON
 Special Bermuda Insolvency Counsel
 to the Official Committee of Unsecured Creditors
 "Milner House"
 18 Parliament Street
 Hamilton HM 12
 Bermuda

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 Debtors, :
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**SECOND AND FINAL FEE APPLICATION OF COX HALLETT WILKINSON
 AS SPECIAL BERMUDA INSOLVENCY COUNSEL FOR THE
 OFFICIAL COMMITTEE OF UNSECURED CREDITORS
 FOR INTERIM ALLOWANCE OF COMPENSATION FOR PROFESSIONAL
 SERVICES RENDERED AND DISBURSEMENTS INCURRED FROM
 1st MAY, 2002 THROUGH 9TH DECEMBER, 2003**

TO THE HONOURABLE ROBERT E. GERBER
 UNITED STATES BANKRUPTCY JUDGE:

Cox Hallett Wilkinson ("CHW"), Special Bermuda Insolvency Counsel for the Official Committee of Unsecured Creditors, as creditors in these chapter 11 cases, for its first application ("the Application"), pursuant to sections 330(a) and 331 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for the final allowance of

compensation for professional services performed by CHW for the period commencing 1st May, 2002 through and including 9th December, 2003 (the "Compensation Period"), and for reimbursement of its actual expenses incurred during the Compensation Period, respectfully represents:

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

1. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on 19th April, 1995 (the "Local Guidelines"), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. §330, adopted on 30th January, 1996 (the "UST Guidelines") and the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order" and, collectively with the Local Guidelines and UST Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit "A".
2. CHW seeks allowance of final compensation for professional services rendered to the Official Committee of Unsecured Creditors ("the Committee") during the Compensation Period, in the aggregate amount of \$60,671.75 and for reimbursement of expenses incurred in connection with the rendition of such

services in the aggregate amount of \$1,420.79. During the Compensation Period, CHW professionals and paraprofessionals expended a total of 154.46 hours for which compensation is requested.

3. There is no agreement or understanding between CHW and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.
4. The fees charged by CHW in these cases are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. The rates CHW charges for the services rendered by its professionals and paraprofessionals in these chapter 11 cases are the same rate CHW charges for professional and paraprofessional services rendered in comparable non bankruptcy related matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non bankruptcy cases in a competitive international legal market.
5. Pursuant to the UST Guidelines, annexed hereto as Exhibit "B" is a schedule setting forth all CHW professionals and paraprofessionals who have performed services in these chapter 11 cases during the Compensation Period, the capacities in which each such individual is employed by CHW, the office in which each individual practices, the hourly billing rate charged by CHW for services performed by such individual and the aggregate number of hours expended in this matter and fees billed therefor.

6. Annexed hereto as Exhibit "C" is a schedule specifying the categories of expenses for which CHW is seeking reimbursement and the total amount for each such expense category.
7. Since the commencement of these cases, pursuant to the Administrative Order, CHW provides the Committee with a monthly fee statement following the month for which compensation is sought. During the Compensation Period, CHW has provided the Committee with 18 fee statements for the months of May, 2002 to December, 2003. With respect to such fee statements for the Compensation Period, CHW received payments of \$37,280.93. As of 6th February, 2004 CHW is owed \$24,811.61 from the Committee, for disbursements incurred and services performed during the Compensation Period.
8. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, CHW reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

BACKGROUND

9. On 7th February, 2002 the United States Trustee appointed the Committee pursuant to section 1102(a) of the Bankruptcy Code.

SUMMARY OF SERVICES

10. **Business Operations**

CHW was required to render professional services advising on Bermuda's laws of insolvency; Companies Winding-up Rules; performed research including directors duties to creditors and Joint Provisional Liquidators' fees; attending meeting with attorneys for the Joint Provisional Liquidators.

Fee/Employment Applications

David Kessaram advised the firm Brown Rudnick Berlack & Israels LLP acting on behalf of the Unsecured Creditors Committee; research - Bermuda Court of Appeals Act, Companies Act, 1981, Winding-up Rules; case laws; drafted documents advised re: fees and costs of Joint Provisional Liquidators; numerous telephone conferences, faxes, e-mails; perusing documents; attending meetings with KPMG.

File 51189-2001

- John Cooper was engaged to give advice to the Official Committee with respect to monthly fee and disbursement requests by the joint provisional liquidators. These monthly requests were each contained in a 3 inch binder with the view that on a quarterly basis objections would be taken if so advised to portions of same and submitted to the appointed fee assessor, Christopher Hughes. Some eleven such binders were received and reviewed. Objections were taken particularly with respect to the first

quarterly submission that ultimately led to a substantial reduction of the amount that the fee assessor considered to be appropriate remuneration for the liquidators in Bermuda, the U.S. and the U.K.

- In addition objections were taken to a request by the joint provisional liquidators for payment of services rendered and disbursements incurred (legal fees) for work done over some 4 to 5 weeks prior to their appointment. A hearing took place before the Chief Justice of Bermuda and he rules that the entirety of this request should be disallowed because no provision existed under Bermuda law that would allow him to sanction such fees and disbursements.
- The joint provisional liquidators appealed his ruling to the Court of Appeal for Bermuda which ruled that the Chief Justice was correct and dismissed this appeal. Subsequently the liquidators filed an application for leave to appeal that decision to the Privy Council in London. Before that application came to be heard by the Court of Appeal the request for pre-appointment fees was settled. John Cooper represented the Official Committee at both the hearing before the Chief Justice and at the subsequent appeal.

File 51189-2002

- John Cooper (and David Kessaram) were asked to review proposed wordings for the Global Crossing Schemes of Arrangement. The

documentation provided was quite substantial and monitoring of proposed changes were necessary to see that the Official Committee were not to be disadvantaged by them.

File 51189-2003

- John Cooper was asked to give advice to the Boston office of the firm of Brown Rudnick Berlack & Israels LLP with respect to Bermuda company law and relevant case law and how such would influence contemplated legal proceedings against the former directors of Global Crossing. At issue was the protection given to directors by the Bermuda company's bye-laws that might indemnify them against their wrongdoing and the limits of that protection.
11. The foregoing professional services performed by CHW were necessary and appropriate and in the best interests of the Committee and other parties in interest. Compensation for the foregoing services s requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional services were performed with expedition and in an efficient manner.
 12. During the Compensation Period, CHW's hourly billing rates for the attorneys ranged from \$275 to \$450 per hour. Such fees are reasonable based on the

customary compensation charged by comparably skilled practitioners in comparable bankruptcy cases in a competitive international legal market. As noted, attached hereto is a schedule listing CHW's professional and paraprofessional who performed services in these cases during the Compensation Period, the hourly rate charged by CHW for services performed by each individual and the aggregate number of hours and charges by each such individual.

ACTUAL AND NECESSARY DISBURSEMENTS OF CHW

13. As set forth in Exhibit "C" hereto, CHW has disbursed \$1,420.79 as expenses incurred in providing professional services during the Compensation Period.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

14. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.A. §331. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered... and reimbursement for actual, necessary expenses". 11 U.S.A. §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, extend, 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 service was rendered toward the completion 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)

15. In the instant case, CHW respectfully submits that the services for which it seeks compensation in this Application were, at the time rendered, believed to be

necessary for, beneficial to, and in the best interest of the Committee. CHW further submits that the compensation requested herein is reasonable in light of the nature, extent and value of such services to the Committee and all parties in interest.

MEMORANDUM OF LAW

16. The Committee submits that the relevant legal authorities are set forth herein and that the requirement pursuant to Local Bankruptcy Rule 9013-1 that the Committee file a memorandum of law in support of this Application is satisfied.

NOTICE

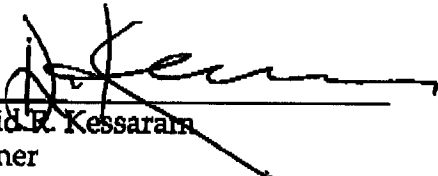
17. Notice of this Application has been provided to (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the Debtors' senior secured lenders (iii) the attorneys for the Debtors; (iv) the JPLs and their attorneys, and (v) those parties entitled to notice pursuant to this Court's order dated 28th January, 2002 establishing certain notice procedures in these chapter 11 cases. The Committee submits that no other or further notice need be provided.

CONCLUSION

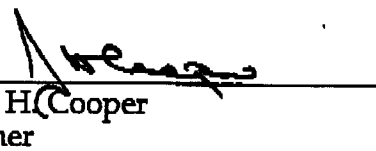
WHEREFOR CHW respectfully requests (i) interim allowance of compensation for professional services rendered during the Compensation Period in the amount of \$60,671.75 and reimbursement for actual and necessary expenses CHW incurred during the Compensation Period in the amount of \$1,420.79; (ii) the allowance of such

compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to CHW's right to seek additional compensation for services performed and expenses incurred during the Compensation Period which were not processed at the time of this Application; and (iii) the Court grant CHW such other and further relief as is just.

DATED: Hamilton, Bermuda
6th February, 2004



David E. Kessaram
Partner



John H. Cooper
Partner

COX HALLETT WILKINSON
"Milner House"
18 Parliament Street
Hamilton HM 12
Bermuda

Special Bermuda Insolvency Counsel
for the Official Committee of
Unsecured Creditors