

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

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**In re** :  
 : **Chapter 11 Case No.**  
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**GLOBAL CROSSING LTD., et al.,** : **02- 40188 (REG)**  
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 :  
**Debtors.** : **(Jointly Administered)**  
 :  
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**ORDER PURSUANT TO SECTIONS 327(e) AND 328(a) OF  
THE BANKRUPTCY CODE FOR AUTHORIZATION TO EMPLOY  
AND RETAIN FOLEY & LARDNER AS SPECIAL COUNSEL AND  
FOR A LIMITED PURPOSE NUNC PRO TUNC TO FEBRUARY 7, 2002**

Upon the Application dated January 17, 2003 (the "Application"), of Global Crossing Ltd. and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), pursuant to sections 327(e) and 328(a) of title 11 of the United States Code (the "Bankruptcy Code"), for authority to retain and employ Foley & Lardner as special counsel and for a limited purpose nunc pro tunc to February 7, 2002, all as more fully set forth in the Application, the affidavit of Douglas M. Hagerman, a partner of Foley & Lardner, sworn to on January 13, 2003 (the "Hagerman Affidavit") and the affidavit of Stephen A. Best, a partner of Coudert Brothers, sworn to on July 1, 2002 (the "Best Affidavit"); and upon consideration of the Hagerman Affidavit and the Best Affidavit; and the Court being satisfied, based on the representations made in the Application, the Hagerman Affidavit, and the Best Affidavit that Foley & Lardner represents or holds no interest adverse to the Debtors or their estates in the matters regarding which Foley & Lardner is to be engaged; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. § § 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy

Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.); and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided to (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the official statutory committee of unsecured creditors appointed in these chapter 11 cases, (iii) the attorneys for the Debtors' prepetition senior secured lenders, (iv) the Joint Provisional Liquidators as appointed by the Supreme Court of Bermuda and their attorneys, and (v) those parties entitled to notice pursuant to this Court's order dated January 28, 2002, establishing certain notice procedures in these cases; and no other or further notice need be provided; and no objections having been received to the relief requested herein; and the Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and the relief requested in the Application being in the best interests of the Debtors and their estates and creditors; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that pursuant to sections 327(e) and 328(a) of the Bankruptcy Code, the Debtors' retention of Foley & Lardner as special counsel and for a limited purpose, effective nunc pro tunc to February 7, 2002, is approved for the sole purpose of allowing Foley & Lardner to receive compensation and reimbursement of expenses for past legal services provided to the Debtors; and it is further

ORDERED that pursuant to an agreement reached between the Debtors and Foley & Lardner (the “Agreement”), Foley & Lardner will seek the compensation of fifty percent (50%) of their fees and one hundred percent (100%) of their disbursements in these chapter 11 cases, which equal \$238,293.75 and \$71,735.00 respectively (the “Fees and Disbursements”); and it is further

ORDERED that Foley & Lardner shall seek compensation and the reimbursement of its expenses from the Debtors subject to (i) the Court’s approval of such compensation and expenses pursuant to Sections 330 and 331 of the Bankruptcy Code, (ii) the Bankruptcy Rules, (iii) the Local Bankruptcy Rules of the United States Bankruptcy Court for the Southern District of New York, (iv) the Administrative Orders Re: Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases issued by the Southern District of New York Bankruptcy Judges, (v) the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under Section 330 and dated January 30, 1996, (vi) the Court’s Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, signed by this Court on January 28, 2002, (vii) the Order Approving and Implementing Fee Committee and Fee Procedure Protocol entered by the Court on August 22, 2002, and (viii) such procedures as may be fixed by order of this Court; and it is further

ORDERED that in light of (i) the unusual circumstances concerning this retention, (ii) the significant discount agreed by Foley & Lardner, and (iii) the fact that Foley & Lardner will not be seeking future fees, the Debtors may pay the Fees and Disbursements at this time without any holdback; and it is further

ORDERED that Foley & Lardner will waive and forever release all claims against the Debtors, their officers, directors, employees, shareholders, successors, and assigns for any payment not included in the Fees and Disbursements, including any administrative expense claims under section 503 of the Bankruptcy Code; and it is further;

ORDERED that the requirement pursuant to Local Rule 9013-1(b) that the Debtors file a memorandum of law in support of the Application is hereby waived.

Dated: January 27, 2003  
New York, New York

*S/ Robert E. Gerber*  
UNITED STATES BANKRUPTCY JUDGE