

**Hearing Date & Time:**  
**April 22, 2004 at 9:45 a.m.**

GREENBERG TRAUIG, LLP  
Counsel to the Subcommittee for the  
Official Committee of Unsecured Creditors  
-and-  
Special Conflicts Counsel for the  
Official Committee of Unsecured Creditors  
200 Park Avenue  
New York, New York 10166  
Richard S. Miller (RM-2428)  
Thomas J. Weber (TW-3887)  
Robert T. Honeywell (RH-7684)  
(212) 801-9200

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
: :  
In re : Chapter 11 Case No.  
: :  
: :  
GLOBAL CROSSING LTD., et al., : 02-40188 (REG)  
: :  
: (Jointly Administered)  
Debtors. : :  
: :  
-----X

**Name of Applicant:**  
Greenberg Traurig, LLP

**Role in the Case:**  
Counsel to the Subcommittee of the Official  
Committee of Unsecured Creditors  
-and-  
Special Conflicts Counsel for the  
Official Committee of Unsecured Creditors

**Current Application**  
For period November 1, 2002 through  
December 9, 2003  
Fees Requested: \$ 242,529.50  
Expenses Requested: \$ 10,827.25  
  
Fees Previously Requested: \$ 435,798.50  
Fees Previously Awarded: \$ 435,798.50  
  
Expenses Previously Requested: \$ 3,627.74  
Expenses Previously Awarded: \$ 3,627.74

**FINAL APPLICATION OF GREENBERG TRAUIG, LLP FOR AN  
ORDER ALLOWING FINAL COMPENSATION (WITH ACCOMPANYING  
CERTIFICATION) AS COUNSEL FOR THE SUBCOMMITTEE AND SPECIAL  
CONFLICTS COUNSEL FOR THE COMMITTEE AND APPROVING (I) PAYMENT OF  
FEE HOLDBACK FOR THE PERIOD MARCH 14, 2002 THROUGH AND INCLUDING  
DECEMBER 9, 2003 AND (II) PAYMENTS RECEIVED DURING THE PERIOD  
NOVEMBER 1, 2002 THROUGH AND INCLUDING DECEMBER 9, 2003**

**Chart for Period November 1, 2002 through December 9, 2003:**

<b>Name of Professionals/ Paraprofessionals</b>	<b>Year Admitted to Practice</b>	<b>Hours Billed</b>	<b>Current Rate *</b>	<b>Total for Application</b>
<b>SHAREHOLDERS</b>				
Thomas J. Weber, Shareholder	1979	192.30	\$575.00	\$122,767.50
<b>OF COUNSEL</b>				
Robert T. Honeywell, Of Counsel	1987	155.40	\$485.00	\$89,949.50
<b>ASSOCIATES</b>				
Douglas A. Amedeo, Associate	1992	24.80	\$370.00	\$8,579.00
Todd E. Duffy, Associate	2000	17.45	\$280.00	\$4,886.00
David M. Dunn, Associate	2002	3.60	\$260.00	\$2,512.00
John H. Thompson, Associate	2002	9.10	\$285.00	\$2,083.50
<b>PARALEGALS</b>				
Angela H. Chua, Paralegal	N/A	40.20	\$160.00	\$8,776.00
Elizabeth K. Loh, Paralegal	N/A	18.60	\$160.00	\$2,976.00
<b>Total Blended Hourly Rate: \$ 321.88</b>		<b>546.45</b>		<b>\$242,529.50</b>

\* On January 1, 2003, GT raised its billing rates in accordance with its regular procedures.

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INCLUDING DECEMBER 9, 2003 AND (II) PAYMENTS RECEIVED DURING THE  
PERIOD NOVEMBER 1, 2002 THROUGH AND INCLUDING DECEMBER 9, 2003**

TO THE HONORABLE ROBERT E. GERBER,  
UNITED STATES BANKRUPTCY JUDGE:

<sup>1</sup> Greenberg was retained, effective as of June 2, 2003, to serve as special conflicts counsel to the Committee with respect to the review and analysis of and negotiations and/or communications regarding the proposed bids submitted by XO Communications, Inc. to purchase the Debtors (the "XO Bids"). Greenberg previously was retained as counsel to the Subcommittee (the "Subcommittee") of the Committee by order dated June 17, 2002 (Docket No. 1309). Greenberg's retention is *nunc pro tunc* to March 14, 2002.

Greenberg Traurig, LLP (“Greenberg” or “Applicant”), counsel for the Subcommittee (the “Subcommittee”) of the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases for the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) and Special Conflicts Counsel to the Committee, submits its final application for an order allowing final compensation as counsel for the Subcommittee and Special Conflicts Counsel for the Committee. This is Greenberg’s second fee application filed in these cases. By application dated November 25, 2002, Greenberg sought the allowance of fees in the amount of \$435,798.50 and the reimbursement of expenses in the amount of \$3,627.74 incurred by Greenberg during the period from March 14, 2002 through and including October 31, 2002 (“Greenberg’s First Period”) in its role as counsel to the Subcommittee. By order dated June 4, 2002 the Court allowed Greenberg’s fees and expenses in the amounts requested and authorized and directed the Debtors to pay Greenberg subject to a 20% holdback on fees. The 20% holdback during Greenberg’s First Period amounted to \$87,159.70. Until now Greenberg has not filed a fee application for the allowance of fees in its roles as a counsel to the Subcommittee and Special Conflicts Counsel for the Committee for the period from November 1, 2002 through and including December 4, 2003 (“Greenberg’s Second Period”). During Greenberg’s Second Period, Greenberg’s fees were \$242,529.50 and expenses incurred by Greenberg equaled \$10,827.25. Accordingly, Greenberg seeks approval of its fees in the amount of \$242,529.50 and expenses in the amount of \$10,827.25 generated during Greenberg’s Second Period and an order directing the Debtors to pay to Greenberg the amount of \$135,665.60 representing \$87,159.70 in holdbacks from Greenberg’s First Period and \$48,505.90 from Greenberg’s Second Period that has not yet been paid by the Debtors pursuant to the “Order Pursuant to Section 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim

Monthly Compensation and Reimbursement of Expenses of Professionals,” dated January 28, 2002 (the “Administrative Order”). In support of these requests, Greenberg respectfully represents as follows:

### **Summary of Application**

1. Greenberg seeks allowance of final compensation for professional services rendered to the Subcommittee and Committee. During Greenberg’s Second Period, Greenberg’s attorneys and paraprofessionals expended a total of 546.45 hours for which compensation is requested.

2. In preparing this Application, Greenberg has complied with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 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 by the Court on April 19, 1995 (the “UST Guidelines”). A certification regarding compliance with the Guidelines is annexed hereto.

### **Jurisdiction**

3. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the “Standing Order of Referral of Cases to Bankruptcy Judges” of the United States District Court for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.). Venue in this district is proper pursuant to 28 U.S.C. sections 1408 and 1409. The statutory predicates for the relief sought herein are sections 330, 331, and 503(b) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), as complemented by Rule 2016 of the Bankruptcy Rules.

## **Background**

4. On January 28, 2002, the Debtors filed their respective voluntary petitions for relief under chapter 11 of the Bankruptcy Code.<sup>2</sup> The Debtors continue to manage and operate their business as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered.

5. On February 8, 2002, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed the Official Committee of Unsecured Creditors.

6. On February 25, 2002, after meeting with representatives of the Debtors, the Committee, and certain Committee members that are creditors of Global Crossing North America ("GCNA"), the United States Trustee appointed a three member Subcommittee, consisting of creditors with claims exclusively against the GCNA estate, for the purpose of investigating the issues arising from or related to the sale by the Debtors on or about June 29, 2001, of the incumbent local exchange carrier to Citizens Communications Company for gross proceeds of \$3.369 billion (the "ILEC Transaction"). See Appointment of the Subcommittee of the Official Committee of Unsecured Creditors dated February 25, 2002 (Docket No. 283).

7. The members of the Subcommittee initially consisted of Nationwide Insurance, United States Trust Company of New York ("U.S. Trust") and Knights of Columbus. The Subcommittee selected U.S. Trust, represented by Corwin Chen, Senior Vice President, as its Chairperson. The composition of the Subcommittee has changed several times through resignations and new appointments. At the time of the Effective Date of the Debtors' Plan, the Subcommittee consisted of two members of the Committee, Wilmington Trust Company, as Indenture Trustee, and Wells Fargo, as Indenture Trustee.

<sup>2</sup> Additional Debtors including GT U.K. Ltd. filed their petitions subsequent to January 28, 2002.

### The Greenberg Retention Orders

8. Pursuant to an order of this Court dated June 17, 2002, the Subcommittee engaged Greenberg as counsel in these chapter 11 cases to perform necessary legal services *nunc pro tunc* to March 14, 2002. In addition, by order dated July 3, 2003 Greenberg was retained *nunc pro tunc* to June 2, 2003 to serve as Special Conflicts Counsel to the Committee in connection with XOCM Bids (as defined in said order). (True copies of Greenberg Retention Orders are annexed hereto as Exhibit “A”).

9. The legal services that have been performed by Greenberg during these chapter 11 cases encompass legal services, advice, and professional attention in connection with the investigation of possible causes of action arising from the Citizens ILEC sale. Greenberg prepared an extensive report with respect to the Citizens ILEC sale that was shared with the counsel to the Committee as well as others. In addition, the members to the Subcommittee, as members of the Committee, participated in the negotiations of the inter-creditor allocations among the different creditor constituencies represented by the Committee, and the preparation and prosecution of the Debtors’ plan (the “Plan”) and disclosure statement (“Disclosure Statement”). In its role as Special Conflicts Counsel to the Committee Greenberg was very active in advising the Committee about the XOCM Bids, participating in discovery and the development of evidence and arguments presented to the Court in connection with the challenge to the extension of certain deadlines in the Plan mounted by certain bank creditors and XO Communications.

10. In accordance with the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated January 28, 2002 (the “Fee Procedures Order”), Greenberg served upon the Debtors, counsel to the Committee, and the U.S. Trustee, Greenberg’s statements of fees and expenses for the periods November 1, 2002 through

November 30, 2002; December 1, 2002 through December 31, 2002; January 1, 2003 through January 31, 2003; February 1, 2003 through February 28, 2003; March 1, 2003 through March 31, 2003; April 1, 2003 through April 30, 2003; May 1, 2003 through May 31, 2003; June 1, 2003 through June 30, 2003; July 1, 2003 through July 31, 2003; August 1, 2003 through August 31, 2003; September 1, 2003 through September 30, 2003; October 1, 2003 through October 31, 2003; November 1, 2003 through November 30, 2003; and December 1, 2003 through December 31, 2003, respectively. Pursuant to the Fee Procedures Order, the statements sought payment for 80% of the fees and full reimbursement for allowable expenses incurred by Greenberg during the applicable period (the “Greenberg Fee Statements”). Greenberg has now been paid 80% of the fees and 100% of the expenses requested in the Greenberg Fee Statements.

#### **The Greenberg Final Fee Application**

11. Greenberg now submits this Final Fee Application pursuant to sections 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Greenberg Retention Orders, the Fee Procedures Order, and the Court’s local rules and administrative orders.

12. This Application seeks approval of compensation to be paid to Greenberg by the Debtors in accordance with the Greenberg Retention Orders and the Fee Procedures Order. Specifically, Greenberg seeks approval with respect to the Debtors’ obligation to pay the sum of \$242,529.50 in fees and \$10,827.25 in reimbursable out-of-pocket expenses with respect to its services during Greenberg’s Second Period. A summary cover sheet complying with the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 precedes this application.



### **The Value of Fees Billed**

13. Greenberg's legal services to the Subcommittee and the Committee during the Greenberg's Second Period required the expenditure of time by six attorneys and two legal assistants in connection with matters relating to these chapter 11 proceedings. The hours devoted to representation of the Subcommittee and the Committee are reflected in the detailed monthly Invoices rendered to the Debtors. These monthly Invoices contain the detailed time records of Greenberg's professionals maintained in accordance with the Guidelines of the Office of the United States Trustee, and are summarized in the cover page to this application. Greenberg has maintained copies of such Invoices in the normal course. (Copies of the Invoices are annexed hereto collectively as Exhibit "B.")

14. Pursuant to the requirements of General Orders M-104 and M-151 of the Bankruptcy Court for the Southern District of New York, Greenberg certifies that true copies of the Greenberg Fee Statements were furnished to (i) the Debtors; (ii) counsel to the Debtors; (iii) counsel to the Debtors' prepetition lenders; (iv) counsel to the ad hoc committee of the Debtors' noteholders; (v) counsel to any statutory committees appointed in these cases; and (vi) the Office of the United States Trustee for the Southern District of New York, within twenty (20) days after the end of each month.

15. The fee value of Greenberg's services during Greenberg's Second Period, based upon its time records regularly compiled during the period, is \$242,529.50. The summary cover sheet to this application shows the substantive hours worked by each professional and paraprofessional who has been assigned to the this matter.

### **Description of the Professional Services Rendered**

16. During Greenberg's Second Period, Greenberg's attorneys and paraprofessionals were engaged in a wide range of substantive legal matters, including:

- a. Prepare for and appear at multiple Plan-related depositions and conferences in preparation for Plan confirmation hearing;
- b. Review and incorporation of Plan comments from Subcommittee members;
- c. Review and revisions to Joint Defense Agreement among Committee, Subcommittee, Debtors and Ad Hoc Committee;
- d. Communicate with Committee counsel regarding objections to Plan;
- e. Prepare for and conduct telephonic meetings of the Subcommittee;
- f. Prepare for and attend meeting of the Committee;
- g. Communicate with Ad Hoc Committee, Committee, Debtor and Banks' counsel and Subcommittee members regarding discovery issues and coordination;
- h. Review and respond to discovery requests of the Ad Hoc Committee and advise Subcommittee regarding obligations and ramifications of same;
- i. Review of Ad Hoc Committee objections to Plan and communications with Ad Hoc Committee representatives regarding analysis of objections and potential causes of action;
- j. Prepare for and attend Plan confirmation hearings and various conferences regarding confirmation and post-confirmation issues;
- k. Communicate with Ad Hoc Committee, Committee, Debtor, Banks' and Investors' counsel and Subcommittee members regarding Plan confirmation and post-confirmation issues, settlement, and distribution;
- l. Review and respond to Committee materials and data regarding third party causes of action and bankruptcy avoiding power actions;

- m. Review of correspondence and stipulation extending time for litigation against banks;
- n. Review of director nominees and regulatory issues and communications with Ad Hoc Committee representatives regarding analysis of same;
- o. Review of deposition transcripts;
- p. Review and respond to Committee questions regarding severance programs;
- q. Review of correspondence and updates regarding Plan closing status and related issues;
- r. Review cash reports and other materials related to Debtors' performance and attention to CIFUS regulatory developments and issues;
- s. Review of examiner motion, reports of Global Crossing Special Committee and Committee minutes;
- t. Review correspondence and pleadings from Committee counsel and other professionals related to regulatory issues and pending litigation;
- u. Assisted the Committee with respect to all aspects of the review, investigation and analysis of the XO Bids;
- v. Provided the Committee with its legal advice with respect to its rights, duties and powers in the Debtors' cases with respect to the XO Bids;
- w. Participated in the preparation of reports and pleadings and other papers necessary to further the Committee's position with respect to the XO Bids;
- x. Engaged in consultation, discussions and negotiations with the Debtors' counsel, the accountants and financial advisors to the Debtors, the Committee, its lead counsel and other professionals retained in the Chapter

11 cases, the United States Trustee, the Joint Provisional Liquidator and their professionals and XO and its counsel and representatives, arising from or related to the XO Bids;

- y. Assisted the Committee with fast-tracked discovery and trial preparations related to the XO Bid and the amendment of the Debtors' purchase agreement with STT (the "Trial");
- z. Represented the Committee during extensive hearings related to the XO Bid and during the Trial;
- aa. Attend to case administration duties, review and tracking of party filings and Committee reports; and
- bb. Prepare monthly fee statements and Final Fee Application.

17. Greenberg's time records reflect that the standard rates charged by Greenberg to its other clientele in similar matters were the rates applied to the services rendered to the Subcommittee and the Committee in this matter. The rates are shown on the cover sheet preceding this Application. All legal services for which approval of compensation is sought herein were performed for and on behalf of the Subcommittee or the Committee. No agreement or understanding exists between Greenberg and any other person for the sharing of compensation to be received for professional services rendered in or in connection with these proceedings.

18. Greenberg also requests the Court's approval of the reimbursement, pursuant to the Greenberg Retention Orders, for out-of-pocket expenses incurred during Greenberg's Second Period. Disbursements incurred during Greenberg's Second Period are in the aggregate amount of \$10,827.25. A schedule listing such charges by category is annexed hereto as Exhibit "C."

The majority of such expenses are for deposition/court transcript fees, photocopy charges, long distance telephone and facsimile charges and postage.

19. The out-of-pocket expenses for which reimbursement is sought by Greenberg are reasonable and were necessary and incidental to the services performed for the Subcommittee. Every effort has been made to keep expenses to a minimum.

#### **Factors to Consider in Evaluating Applicant's Services**

20. The central factors for consideration by a court in making a discretionary award for reasonable attorneys' fees were listed in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714, 717-19 (5th Cir. 1974) (the "Johnson Factors"), and are summarized as follows: (1) the time and labor required; (2) the novelty and difficulty of the questions presented; (3) the skill required to perform legal services; (4) the preclusion of other employment by the attorneys due to acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or circumstances; (8) the amounts involved and the results obtained; (9) the experience, reputation and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases.

21. The Johnson Factors were subsequently made applicable to bankruptcy cases in *In re First Colonial Corp.*, 544 F.2d 1291, 1298-99 (5th Cir.), cert. denied, 431 U.S. 904 (1977), and the Fifth Circuit's analysis has been adopted by four (4) other courts of appeals. *Boston & Maine Corp. v. Sheehan, Phinney, Bass & Green*, 778 F.2d 890, 896 (1st Cir. 1985); *Harman v. Levin*, 772 F.2d 1151, 1152-53 (4th Cir. 1985); *Mann v. McCombes*, 751 F.2d 286, 287-88 (8th Cir. 1984); *Yermakov v. Fitzsimmons*, 718 F.2d 1465, 1471 (9th Cir. 1983). Bankruptcy courts in the Second Circuit also have applied the Johnson Factors in considering awards under sections 330 and 331 of the Bankruptcy Code. Based upon the services described in this

Greenberg Final Fee Application and the detailed time records annexed hereto, Greenberg respectfully represents it has satisfied the standards prescribed by the Johnson Factors.

**Request for Dispensation of Requirements to File Memorandum of Law**

22. Because the Greenberg Final Fee Application does not present any novel issue of law and the authorities relied upon are set forth herein, Greenberg requests that the Court waive and dispense with the requirement set forth in Local Bankruptcy Rule 9013-1(b) that a separate memorandum of law be filed in support of this application. Greenberg reserves the right, however, to submit a reply memorandum of law in the event objections to the Greenberg Final Fee Application are filed.

**Notice**

23. Pursuant to the Fee Procedures Order notice provisions, Greenberg served copies of this Greenberg Final Fee Application upon (i) the Debtors; (ii) counsel to the Debtors; (iii) counsel to the Debtors' prepetition lenders; (iv) counsel to the ad hoc committee of the Debtors' noteholders; (v) counsel to any statutory committees appointed in these cases; and (vi) the Office of the United States Trustee for the Southern District of New York. A copy of the Greenberg Final Fee Application has also been provided to Chambers.

**No Prior Request for Relief Sought**

24. No other previous request for approval has been made with respect to the fees and expenses covered by this Greenberg Final Fee Application.

WHEREFORE, Greenberg requests that this Court enter an order (i) approving Greenberg's fees and expenses for Greenberg's Second Period in the amounts of \$242,529.50 and \$10,827.25, respectively; (ii) authorizing and directing the Debtors to pay to Greenberg the sum of \$135,665.60 representing the fee holdback of \$87,159.70 from Greenberg's First Period

and the unpaid balance of \$48,505.90 from Greenberg's Second Period; and (iii) granting such other and further relief as the Court may deem just and proper in the circumstances.

Dated: New York, New York  
February 9, 2004

GREENBERG TRAURIG, LLP

By: /s/ Thomas J. Weber  
Richard S. Miller (RM-2428)  
Thomas J. Weber (TW-3887)  
Robert T. Honeywell (RH-7684)  
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