

Robert N. H. Christmas (RC-6189)
NIXON PEABODY LLP
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437 Madison Avenue
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Hearing Date: April 22, 2004 at 9:45 a.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**SUMMARY COVER SHEET FOR THE FINAL APPLICATION OF
NIXON PEABODY LLP, SPECIAL CORPORATE, LITIGATION AND
TAX COUNSEL FOR THE DEBTORS, FOR ALLOWANCE OF
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT
OF EXPENSES INCURRED FROM MARCH 28, 2002 THROUGH DECEMBER 9, 2003**

Name of Applicant:	<u>Nixon Peabody LLP</u>
Authorized to Provide Professional Services to:	<u>Debtors</u>
Date of Retention Orders:	<u>March 27, 2002</u>
Period for Which Compensation and Reimbursement is Sought:	<u>March 28, 2002 through December 9, 2003</u>
Amount of Compensation Sought as Actual, Reasonable and Necessary:	<u>\$1,729,362.14</u>
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	<u>\$57,961.00</u>
Amount of Compensation Previously Sought as Actual, Reasonable and Necessary:	<u>\$957,045.75</u>
Amount of Expense Reimbursement Previously Sought as Actual, Reasonable and Necessary:	<u>\$33,563.08</u>
Amount of Compensation Previously Awarded as Actual, Reasonable and Necessary:	<u>\$952,106.62</u>
Amount of Expense Reimbursement Previously Awarded as Actual, Reasonable and Necessary:	<u>\$32,739.40</u>

NIXON PEABODY LLP
Special Corporate, Litigation and Tax Counsel
for Debtors and Debtors-in-Possession
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

GLOBAL CROSSING, LTD., et al.,

Debtors.

)
) Chapter 11
) Case Nos. 02-40187 (REG) through
) 02-40241 (REG),
) 02-11982 (REG)
)
)
) (Jointly Administered)
)

**FINAL APPLICATION OF NIXON PEABODY LLP,
AS SPECIAL CORPORATE, LITIGATION AND TAX COUNSEL
FOR GLOBAL CROSSING, LTD., ET AL., FOR ALLOWANCE
OF FINAL COMPENSATION FOR SERVICES
RENDERED FOR THE PERIOD MARCH 28, 2002 THROUGH
DECEMBER 9, 2003, AND FOR REIMBURSEMENT OF EXPENSES**

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

Nixon Peabody LLP (“NP”), as special corporate, litigation and tax counsel for Global Crossing, Ltd. (“Global Crossing”) and its affiliates, debtors and debtors-in-possession (collectively, the “Debtors”), as and for its final application for allowance of compensation for professional services rendered for the period March 28, 2002 through December 9, 2003, and for reimbursement of expenses incurred in connection with such services (the “Application”), respectfully shows this Honorable Court that:

I. FEES AND EXPENSES FOR WHICH ALLOWANCE IS SOUGHT

1. This Application is made by NP pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for allowance of compensation in full for services rendered to the Debtors in the aggregate amount of \$1,729,362.14 and for reimbursement of expenses incurred in connection with the rendition of such services in the aggregate amount of \$57,961.00, for the period March 28, 2002, through December 9, 2003 (the “Application Period”).

2. During the Application Period, NP attorneys and paraprofessionals expended a total of 5,126 hours for which compensation is requested. A schedule setting forth the number of hours expended by the partners, associates and paraprofessionals of NP, their respective hourly rates and in the case of attorneys, their respective years of graduation from law school, and to the extent applicable, the year of partnership is attached hereto as Exhibit A. A schedule specifying the type of expenses for which NP is seeking reimbursement and the total amount for each such category is attached hereto as Exhibit B.

3. In preparing this Application, Nixon Peabody 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 on January 30, 1996 (the “UST Guidelines”), the Court’s Order Pursuant to Sections 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 Fee Order” and,

collectively with the Local Guidelines and the UST Guidelines, the “Guidelines”) and the Statement of the Fee Committee dated April 16, 2003.

4. NP maintains computerized records of the daily time sheets submitted by all NP attorneys and paraprofessionals. Preceding the time entries is a chart listing the names, billing rates and time spent by each of the attorneys and paraprofessionals rendering services on behalf of the Debtors. In support of this Application, copies of these computerized records, together with a computer generated detailed itemization of the expenses incurred by NP for which reimbursement is sought, have been furnished to the Debtors, the Court, the United States Trustee and counsel for Debtors’ prepetition lenders, ad hoc committee of Debtors’ noteholders and official committee of unsecured creditors appointed in this case, and are attached hereto as Exhibit C.¹

5. This Court has previously allowed compensation and reimbursement of expenses on account of professional services rendered by NP on behalf of the Debtors in orders dated August 7, 2002, approving payment of NP’s first interim fee application for the period March 28, 2002, through May 31, 2002, (“First Interim Period”); June 4, 2003, approving payment of NP’s second interim fee application for the period June 1, 2002, through September 30, 2002 (the “Second Interim Period”); and December 16, 2003, approving payment of NP’s third interim fee application for period October 1, 2002, through March 31, 2003 (the “Third Interim Period”). These Orders provided for the payment of 80% of fees and 100% of disbursements for professional services rendered during the First Interim Period, the Second Interim Period and the Third Interim Period.

¹ Due to their voluminous nature, the computerized records are not being filed electronically with the Court but are available from the undersigned upon request by contacting Anita L. Pelletier at (585) 263-1164.

6. NP now seeks reimbursement in full of the fees provided during the Application Period, including the 20% hold back of the fees for the First Interim Period, the Second Interim Period and the Third Interim Period.

7. In accordance with the Administrative Fee Order, NP submitted the following invoices for services rendered and reimbursement of expenses incurred:

	<u>Fees</u>	<u>Disbursements</u>	<u>Total</u>
First Invoice (March 28, 2002 through April 30, 2003)	51,872.48	4,456.21	56,328.69
Second Invoice (May 1, 2002 through May 31, 2002)	49,196.50	1,953.58	51,150.08
Third Invoice (June 1, 2002 through June, 30, 2002)	47,492.00	1,031.75	48,523.75
Fourth Invoice (July 1, 2002 through July 31, 2002)	39,875.00	1,550.71	41,425.71
Fifth Invoice (August 1, 2002 through August 31, 2002)	63,470.00	1,553.48	65,023.48
Sixth Invoice (September 1, 2002 through September 30, 2002)	84,298.00	4,434.04	88,732.04
Seventh Invoice (October 1, 2002 through October 31, 2002)	76,471.50	2,141.60	78,613.10
Eighth Invoice (November 1, 2002 through November 20, 2002)	71,643.00	1,453.86	73,096.86
Ninth Invoice (December 1, 2002 through December 31, 2002)	69,776.00	1,620.37	71,396.37
Tenth Invoice (January 1, 2003 through January 31, 2003)	163,123.00	5,704.43	168,827.43
Eleventh Invoice (February 1, 2003 through February 28, 2003)	142,813.00	7,701.14	150,514.14
Twelfth Invoice (March 1, 2003 through March 31, 2003)	113,593.75	6,864.69	120,458.44
Thirteenth Invoice (April 1, 2003 through April 30, 2003)	71,810.75	5,080.53	76,891.28
Fourteenth Invoice (May 1, 2003 through May 31, 2003)	41,659.00	2,847.15	44,506.15
Fifteenth Invoice (June 1, 2003 through June 30, 2003)	51,692.50	1,207.96	52,900.46
Sixteenth Invoice (July 1, 2003 through July 31, 2003)	83,732.00	1,350.81	85,082.81
Seventeen Invoice (August 1, 2003 through August 31, 2003)	115,907.50	2,998.55	118,906.05
Eighteenth Invoice (September 1, 2003 through September 30, 2003)	221,743.00	1,707.83	223,450.83
Nineteenth Invoice (October 1, 2003 through October 31, 2002)	115,791.00	3,920.02	119,711.02
Twentieth Invoice (November 1, 2003 through November 30, 2003)	64,169.00	2,212.21	66,381.21
Twenty-first Invoice (December 1, 2003 through December 9, 2003)	7,907.50	1,020.18	8,927.68
	1,748,036.48	62,811.10	1,810,847.58

8. As of January 29, 2004, NP has received payments and applied credits as follows:

	<u>Fees Paid</u>	<u>Disbursements Paid</u>	<u>Total</u>
First Invoice (March 28, 2002 through April 30, 2003)	51,872.48	4,456.21	56,328.69
Second Invoice (May 1, 2002 through May 31, 2002)	49,196.50	1,953.58	51,150.08
Third Invoice (June 1, 2002 through June, 30, 2002)	47,492.00	1,031.75	48,523.75
Fourth Invoice (July 1, 2002 through July 31, 2002)	39,875.00	1,550.71	41,425.71
Fifth Invoice (August 1, 2002 through August 31, 2002)	63,470.00	1,553.48	65,023.48
Sixth Invoice (September 1, 2002 through September 30, 2002)	84,298.00	4,434.04	88,732.04

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Seventh Invoice (October 1, 2002 through October 31, 2002)	76,471.50	2,141.60	78,613.10
Eighth Invoice (November 1, 2002 through November 20, 2002)	71,643.00	1,453.86	73,096.86
Ninth Invoice (December 1, 2002 through December 31, 2002)	69,776.00	1,620.37	71,396.37
Tenth Invoice (January 1, 2003 through January 31, 2003)	163,123.00	5,704.43	168,827.43
Eleventh Invoice (February 1, 2003 through February 28, 2003)	142,813.00	7,701.14	150,514.14
Twelfth Invoice (March 1, 2003 through March 31, 2003)	113,593.75	6,864.69	120,458.44
Thirteenth Invoice (April 1, 2003 through April 30, 2003)	67,670.56	5,080.53	72,751.09
Fourteenth Invoice (May 1, 2003 through May 31, 2003)	33,728.23	2,847.15	36,575.38
Fifteenth Invoice (June 1, 2003 through June 30, 2003)	41,851.18	1,207.96	43,059.14
Sixteenth Invoice (July 1, 2003 through July 31, 2003)	67,792.12	1,350.81	69,142.93
Seventeen Invoice (August 1, 2003 through August 31, 2003)	93,841.46	2,998.55	96,840.01
Eighteenth Invoice (September 1, 2003 through September 30, 2003)	179,528.47	1,707.83	181,236.30
Nineteenth Invoice (October 1, 2003 through October 31, 2002)	93,747.17	3,920.02	97,667.19
Twentieth Invoice (November 1, 2003 through November 30, 2003)	617.93	0.00	617.93
Twenty-first Invoice (December 1, 2003 through December 9, 2003)	76.04	0.00	76.04
	1,552,477.39	59,578.71	1,612,056.10

9. Pursuant to the Fee Committee Statement filed in connection with the Second Interim Fee Period in this case, NP has adjusted certain fees and disbursements incurred during the Application Period as follows: (i) reduction of per page copying costs to \$.10 per copy for a credit of \$3,812.82; (ii) reduction of fees billed for preparation of the monthly billing and fee applications in the amount of \$18,023.84; and (iii) reduction of certain paralegal fees in the amount of \$650.50.

10. As set forth in the Certification of Robert N. H. Christmas, a partner of NP, attached hereto as Exhibit D, all of the services for which compensation is sought herein were rendered for and on behalf of the Debtors in connection with their Chapter 11 cases.

II. BACKGROUND

11. On January 28, 2002 (the “Commencement Date”), each of the Debtors commenced a case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

12. By Order dated March 27, 2002, the Debtors were authorized to retain NP as its special corporate, litigation and tax counsel (the "Retention Order"). A copy of the Retention Order is attached hereto as Exhibit E.

13. In considering this Application, it should be noted that NP has a long-standing relationship with the Debtors. NP has represented the Debtors, and certain of their corporate predecessors, for approximately five decades, in commercial litigation (including representation of the Debtors as parties in interest in other bankruptcy cases), general corporate, tax, real estate, immigration and employment law matters (including tax controversies, benefits matters and tax compliance).

14. NP submits that the work encompassed by this Application for which compensation is sought was performed efficiently and at the lowest cost to the estates.

15. All of the work summarized in this Application was performed in such a manner as to insure minimal duplication of services in an effort to keep the administration expenses to these estates to a minimum.

III. SERVICES RENDERED BY NP DURING THE APPLICATION PERIOD

16. Rather than burden the Court with an overly detailed or lengthy recitation of each and every matter that NP addressed during the Application Period, the following is a summary description of the primary services rendered by NP during the Application Period, which highlights the benefits conferred upon the Debtors, their estates and creditors as a result of NP's efforts. All of the professional services rendered by NP on behalf of the Debtors and their estates are set forth in the computerized time records maintained by NP, and the Court is respectfully referred to those records, as well as NP's prior interim applications in this case, for the details of all of the work performed by NP.

A. Litigation

17. NP represented the Debtors in an ERISA class action case commenced by former employees. Representation included successfully defending a motion for summary judgment and successfully moving for a stay pending a determination as to whether this case should be included in the Multi-District litigation.

18. NP served as local counsel in several securities and ERISA litigation matters. This representation involved assisting in processing Multi-District Litigation applications to determine the appropriate venue of cases. During the Application Period, NP successfully obtained a stay of all matters until venue was determined.

19. NP was involved in the representation of Debtors in a lawsuit alleging claims of racketeering, interference with contractual advantages and legal malpractice. Representation involved performing an initial investigation into the facts and successfully moving for a stay of the matter, over plaintiffs' opposition, pending the determination of whether this case should be included as part of the Multi-District Litigation proceedings.

20. NP represented Debtors in a federal employment discrimination case in the Western District of New York. This representation included reviewing and analyzing the Plaintiff's allegations, developing a strategy for responding and preparing a filing an Answer on behalf of the Debtors.

21. NP represented Debtors in a breach of contract and unjust enrichment claim matter against Tradescape Corporation in New York Supreme Court. This representation included defending depositions and preparation for trial. On the eve of trial, NP successfully negotiated a settlement of the matter and obtained a confession of judgment in the amount of \$2.5 million as well as a preference on an earn-out that Tradescape may obtain as a result of a pending merger.

22. NP assisted Debtors to enforce an out-of-state judgment in New York State. This representation included seeking enforcement of a Michigan judgment with the assistance of the United States District Court for the Southern District of New York.

23. NP represented the Debtors' interests in a number of other bankruptcy proceedings, including those of WorldCom, Teleglobe, NETtel Network Enhanced Technologies and CTC. These engagements involved a wide variety of services, including negotiations, filing pleadings and court appearances, while acting as Debtors' representative on Creditors Committees, working to protect their interests in indefeasible right of use agreements, defending preference claims, representing Debtors in comprehensive settlements of pre-petition claims and post-petition billing disputes, representing Debtors on motions to assume or reject executory contracts, as well as monitoring and advising Debtors regarding adequate assurances issues and related matters in ongoing and newly filed cases.

B. Tax

24. NP represented Debtors in connection with issues that arose during an Internal Revenue Service ("IRS") audit. Representation included research and analysis of applicable tax treatment of intercompany account transactions.

25. NP was involved in the representation of Debtors in a tax dispute. This representation involved investigating into the facts of the matter advising Debtors on an arbitration strategy, and assisting the Debtors in settlement negotiations.

C. Corporate

26. NP represents and counsels Debtors regarding property assessment disputes relating to its corporate headquarters and properties located in and around Northern and Western New York. These matters involve reviewing and analyzing appraisals of property;

drafting communication with appraisers, town attorneys and judges; complying with and managing discovery demands; and negotiating settlements.

27. Representation of Debtors included seeking an IRS ruling regarding the Debtors' 401(k) plan, establishing a new frozen pension plan and seeking PBGC approval for termination of the Debtors' existing pension plan. NP also provided Debtors with general advice and counseling regarding ongoing benefits issues.

28. NP advised Debtors on several work permit and visa issues relating to foreign nationals employed by Debtors. NP advised on issues related to extensions of stay, work authorization and strategy, processing and timing of same.

29. NP represented the Debtors in drafting a purchase agreement and ancillary documents for the purchase of a fiber optic pair. NP negotiated collocation agreement, two easement agreements for cable landing stations and network services agreements.

30. While debtor-in-possession ("DIP") financing was ultimately not needed because the Debtors' Plan of Reorganization was approved by governmental authorities and closed before the loan funds were required, NP assisted Debtors in reviewing and negotiating a term sheet and extensive loan documents for a DIP/exit financing loan. Representation included due diligence, preparation of schedules and closing documents as well as negotiations and discussion related to bankruptcy court orders and procedures, with the client, main bankruptcy counsel and proposed lenders' counsel.

D. Other Matters

31. The foregoing discussion only summarizes and highlights the more significant professional services rendered during the Application Period by NP on behalf of the Debtors in connection with its corporate, litigation and tax matters. During the Application Period, NP was also required to provide miscellaneous other services to the Debtors.

32. NP, on behalf of the Debtors, was in frequent communications with various third parties and other parties-in-interest concerning the status, conduct and administration of the corporate, litigation and tax matters for which Debtors have retained NP to represent its interests.

33. The matters handled by NP have required thoughtful effort by the members, associates and paraprofessionals of NP. Whenever possible, potential disputes have been resolved without resort to judicial intervention. NP submits that it has achieved the foregoing in an expeditious and efficient manner, always mindful of the costs to the Debtors' estates.

IV. THE COMPENSATION REQUESTED

34. 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.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement.

35. In the instant case, NP respectfully submits that the services for which it seeks compensation in this Application were necessary for and beneficial to the Debtors' estates. NP further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, its estate, and all parties in interest.

36. In awarding compensation pursuant to sections 330 and 331 of the Bankruptcy Code to professional persons employed under sections 327 or 1103 of the Bankruptcy Code, the Court must take into account, among other factors, the cost of comparable non-bankruptcy services. The legislative history of this section aptly explained the need to provide for compensation comparable to other non-bankruptcy legal services:

The effect of [section 330] is to overrule . . . cases that require fees to be determined based on notions of conservation of the estate and economy of administration. If [those] cases were allowed to stand, attorneys that could earn much higher incomes in other fields would leave the bankruptcy arena. Bankruptcy specialists, who enable the system to operate smoothly, efficiently, and expeditiously, would be driven elsewhere, and the bankruptcy field would be occupied by those who could not find other work and those who practice bankruptcy law only occasionally almost as a public service. Bankruptcy fees that are lower than fees in other areas of the legal profession may operate properly when the attorneys appearing in bankruptcy cases do so intermittently, because a low fee in a small segment of a practice can be absorbed by other work. Bankruptcy specialists, however, if required to accept fees in all cases that are consistently lower than fees they could receive elsewhere, will not remain in the bankruptcy field.

H.R. Rep. No. 595, 95th Cong., 1st Sess. 329-30 (1977). *See also* 124 Cong. Rec. H11,091-92 (daily ed. Sept. 28, 1978); S17,408 (daily ed. Oct. 6, 1978).

37. The professional services rendered by NP have required an expenditure of substantial time and effort. During the Application Period, in excess of 5,126 recorded hours have been expended by NP's professionals and paraprofessionals in the rendition of the required professional services and for which NP seeks compensation. NP anticipates that substantial additional time will be expended in performing the services required in representing the Debtors in its corporate, litigation and tax matters.

38. NP respectfully submits that application of the foregoing criteria justifies the compensation requested in this Application. This is an application for compensation.

39. NP has advised on complex and difficult legal problems during the course of the Application Period, involving many areas of legal expertise in various transactional areas, tax and litigation. The professional services rendered in those matters have been performed by attorneys with broad expertise and high levels of skill in their practice areas or specialty. This highly professional and expert group of attorneys has ensured that the Debtors' legal matters have progressed in an efficient manner.

40. During the Application Period, NP has been required to furnish extensive services that have often fully occupied the time of its attorneys, frequently to the preclusion of other firm matters and clients. If this was not a case under the Bankruptcy Code, NP would charge the Debtors and expect to receive on a current basis, an amount at least equal to the amounts requested herein for the professional services rendered. Pursuant to the criteria normally examined in bankruptcy cases, and based upon the factors to be considered in accordance with sections 330 and 331 of the Bankruptcy Code, the results that have been achieved during the Application Period more than substantiate charges in that amount. The services that NP has rendered thus far have produced benefits which have inured to the Debtors, their estates and their creditors.

41. In view of the foregoing, NP respectfully requests that it be allowed reasonable compensation in the amount of \$1,729,362.14 for services rendered in connection with the corporate, litigation and tax matters for which NP represented Debtors. This amount includes the entirety of the 20% holdback of fees previously ordered by the Court.

42. The services provided by NP have been managed efficiently and effectively, and matters have been resolved without court intervention except where necessary. The Court is referred to prior applications for the extent of the work performed by NP, but, in

short, NP has served the Debtors well in their effort to assist Debtors in its ongoing legal matters and restructuring efforts.

V. DISBURSEMENTS

43. As set forth in Exhibit B hereto, NP incurred \$57,961.00 in expenses in providing professional services during the Application Period.

44. With respect to photocopying expenses, NP charges all of its clients \$.12 per page for copies made in the Rochester, New York office, and \$.20 per page for copies made in its New York City and Washington D.C. offices. This amount was adjusted to \$.10 per copy per the recommendations of the Fee Committee. With respect to facsimile expenses, NP excludes charges for incoming facsimile transmissions, and includes charges for outgoing facsimiles at \$1.00 per page. These charges are intended to cover NP's direct operating costs for photocopying and facsimile facilities, which costs are not incorporated into the NP hourly billing rates. Only clients who actually use photocopying, facsimile, and other office services of the types set forth in Exhibit B are separately charged for such service. The effect of including such expenses as part of the hourly billing rates would impose that cost upon clients who do not require extensive photocopying, facsimile, and document production facilities and services. The amount of the standard photocopying and facsimile charge is intended to allow NP to cover the related expenses of its photocopying and telecopying service.

45. The time constraints frequently imposed by the circumstances of this case has required NP's attorneys and other employees at times to devote substantial amounts of time during the evenings and on weekends to the performance of legal services on behalf of the Debtors.

46. Moreover, consistent with firm policy, attorneys and other employees of NP who worked late into the evenings were reimbursed for their reasonable meal costs and their

cost for transportation home. NP's regular practice is not to include components for those charges in overhead when establishing billing rates, and to charge its clients for these and all other out-of-pocket disbursements incurred during the regular course of the rendition of services.

47. In addition, due to the exigent nature of the matters NP handled for Debtors, same day and overnight delivery of documents and other materials was required at times as a result of deadlines and/or emergencies necessitating the use of such express services. These disbursements are not included in NP's overhead for the purpose of setting billing rates.

48. NP has made every effort to minimize its disbursements in this case. The actual expenses incurred in providing professional services were absolutely necessary, reasonable and justified under the circumstances to serve the needs of the Debtors, their estates and creditors. None of the travel related expenses of NP attorneys included herein were for first-class airfare, luxury accommodations, or deluxe meals.

VI. CONCLUSION

49. The legal services summarized by this Application and rendered by NP to the Debtors during the Application Period were substantial, professional, and beneficial to the Debtors. They were reasonable and necessary to the preservation and maximization of the Debtors' estates.

50. As noted above, the amounts sought by NP consist only of actual and reasonable billable time expended by attorneys and legal support staff (\$1,729,362.14) and actual and necessary disbursements made by NP (\$57,961.00) during the Application Period. As demonstrated throughout this Application, the other factors typically considered in determining compensation -- including complexity, results achieved, special expertise, magnitude of the matter, and professional standing -- all militate toward the conclusion that the amount of compensation requested by NP is necessary, fair, and reasonable.

51. In light of (a) the complexity of these matters, (b) the results achieved, (c) the significant contributions made and time devoted, often under severe time constraints and to the preclusion of other matters, (d) awards of compensation in similar cases, and (e) other factors pertinent to the allowance of compensation, NP believes that the compensation sought herein is fair and reasonable and is authorized under the relevant provisions of the Bankruptcy Code and the Guidelines.

52. All services for which compensation is sought were performed for and on behalf of the Debtors and their estates, and not on behalf of any other creditor or party in interest. NP is charging its standard hourly rate for professionals performing services. No payments have heretofore been made or promised to NP for services rendered, or to be rendered, in connection with these cases, except as described in this Application. NP has not entered into any agreement, express or implied, with any other party in interest for the purpose of fixing or sharing fees or other compensation to be paid for professional services rendered in this case.

WHEREFORE, NP respectfully requests that this Court enter an order (a) awarding to NP (i) compensation for the Application Period in the amount of \$1,729,362.14 representing actual billable time for services rendered by NP as special counsel to the Debtors without any holdback; (ii) reimbursement of actual and necessary expenses incurred and recorded by NP for the Application Period in the amount of \$57,961.00; and (iii) payment of the 20% holdback and Discounted Fees and Disbursements for the period March 28, 2002, through and including December 9, 2003; (b) directing payment of the foregoing amounts to the extent not already paid pursuant to the Administrative Fee Order; and (c) granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
February 5, 2004

NIXON PEABODY LLP

By: /s/ Robert N. H. Christmas
Robert N. H. Christmas (RC 6189)
A Partner of the Firm
437 Madison Avenue
New York, New York 10022
Tel.: (212) 940-3000

Special Corporate, Litigation and Tax Counsel for
GLOBAL CROSSING, LTD., et al.
Debtors and Debtors-in-Possession

NIXON PEABODY LLP

Special Counsel to Global Crossing, Ltd., et al.
Debtors and Debtors-in-Possession

Fee Summary for March 28, 2002 through December 9, 2003

[See attached]

NIXON PEABODY LLP

Special Counsel to Global Crossing, Ltd., et al.
Debtors and Debtors-in-Possession

Expenses Incurred During March 28, 2002 through December 9, 2003

[see attached]

NIXON PEABODY LLP

Special Counsel to Global Crossing, Ltd., et al.
Debtors and Debtors-in-Possession

Itemized Invoice for the Period April 1, 2003 through December 9, 2003²

[See attached]³

² Due to their voluminous nature, only the computerized records for this period not previously included as part of NP's First, Second and Third Interim Fee Applications are included with this Application and are provided in a separate document. A complete copy of all computerized records for NP's retention is available from the undersigned upon request by contacting Anita L. Pelletier at (585) 263-1164.

³ Due to their voluminous nature, the computerized records are not being filed electronically with the Court but are available from the undersigned upon request by contacting Anita L. Pelletier at (585) 263-1164.

NIXON PEABODY LLP

Counsel to Global Crossing Ltd., et al.
Debtors and Debtors-in-Possession

Certification of Robert N. H. Christmas, Esq.

[See attached]

NIXON PEABODY LLP

Counsel to Global Crossing Ltd., et al.
Debtors and Debtors-in-Possession

Order Authorizing the Employment and Retention of NP