

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

- - - - - x
In re: : Chapter 11
: :
HAYES LEMMERZ INTERNATIONAL, : Case No. 01-11490 (MFW)
INC., et al., : :
: Jointly Administered
Debtors. : :
: :
- - - - - x Hrg. Date: 9/15/03 at 9:30 a.m.

NOTICE OF FILING OF FINAL FEE APPLICATION OF MCKINSEY &
COMPANY, INC. UNITED STATES FOR COMPENSATION FOR
SERVICES RENDERED AND REIMBURSEMENT OF CHARGES AND
DISBURSEMENTS INCURRED AS MANAGEMENT CONSULTANT FOR
DEBTORS-IN-POSSESSION, RELATING TO THE PERIOD
DECEMBER 5, 2001 THROUGH APRIL 12, 2003

TO: ALL PARTIES ON THE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that on August 28, 2003,
McKinsey & Company, Inc. United States ("McKinsey")
filed the annexed **Final Fee Application of McKinsey &
Company, Inc. United States for Compensation for
Services Rendered and Reimbursement of Charges and
Disbursements Incurred as Management Consultant for
Debtors-in-possession, Relating to the Period
December 5, 2001 Through April 12, 2003 (the "Applica-
tion").**

PLEASE TAKE NOTICE that, a hearing to consider the Application will be held on **September 15, 2003 at 9:30 a.m.** before the Honorable Mary F. Walrath, United States Bankruptcy Court Judge for the District of Delaware, in the United States Bankruptcy Court, 824 North Market Street, Sixth Floor, Wilmington, Delaware 19801.

Dated: Wilmington, Delaware
August 28, 2003

J. Eric Ivester
SKADDEN, ARPS, SLATE, MEAGHER
& FLOM (ILLINOIS)
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

- and -

/s/ Michael W. Yurkewicz
Anthony W. Clark (No. 2051)
Michael W. Yurkewicz (No. 4165)
SKADDEN, ARPS, SLATE, MEAGHER
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Wilmington, Delaware 19899
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Attorneys for Reorganized Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re: : Chapter 11
HAYES-LEMMERZ INTERNATIONAL, : Case No. 01-11490 (MFW)
INC., et al., : Jointly Administered
Debtors. :
-----X

**FINAL FEE APPLICATION OF MCKINSEY & COMPANY, INC. UNITED STATES,
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
CHARGES AND DISBURSEMENTS INCURRED AS MANAGEMENT CONSULTANT
FOR DEBTORS-IN-POSSESSION, RELATING TO THE PERIOD DECEMBER 5, 2001
THROUGH APRIL 12, 2002**

McKinsey & Company, Inc. United States (“McKinsey”), management consultant to Hayes Lemmerz International, Inc. and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), hereby submits this final fee application (the “Final Application”) under 11 U.S.C. §§ 330 and 331 seeking final allowance of compensation for services rendered and reimbursement of charges and disbursements incurred relating to the period from December 5, 2001 through April 12, 2002 (the “Compensation Period”), and in support, represents as follows:

BACKGROUND

1. On December 5, 2001 (the “Petition Date”), the Debtors commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101-1330 (as amended, 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.

2. On December 17, 2001, the Office of the United States Trustee (the “United States Trustee”) appointed the official committee of unsecured creditors in these cases (the “Committee”). No trustee or examiner has been appointed in any of the Debtors’ cases.

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

RELIEF REQUESTED

4. By this Final Application, McKinsey requests approval and payment of compensation for services rendered and reimbursement of charges and disbursements incurred, including reasonable attorneys’ fees, on a final basis, for McKinsey, management consultant to the Debtors, for the period from December 5, 2001 through April 12, 2002.

BASIS FOR RELIEF REQUESTED

5. On December 22, 2001, the Debtors filed an application with this Court (the “Retention Application”), requesting an order authorizing them to retain McKinsey as their management consultant to provide, among other things, the following professional services:

- a) Services related to implementation of the operational improvements program at Sedalia and Huntington facilities;
- b) Analyze operational and strategic issues at Bristol, Howell and Gainesville facilities and implement operational improvements program with respect thereto;
- c) Analyze operational and strategic issues at other facilities as needed and requested by the Debtors and implement operational improvements program with respect thereto
- d) Conduct on-the-job training programs with respect to the various objectives of the operational improvements programs;
- e) Continued support in connection with formulation and finalization of business plans;

- f) Services in connection with operationalizing the office of the turnaround; and
- g) Review of options for certain of the Debtors' non-Debtor joint ventures.

6. On February 14, 2002, this Court entered an order (the "Retention Order")¹, authorizing the Debtors to employ McKinsey as their management consultants effective as of the Petition Date to provide services to the Debtors through March 15, 2002. A copy of the Retention Order is attached hereto as Exhibit "A".

7. The Retention Order also set forth procedures for notice and disclosure in the event the Debtors requested McKinsey to perform any additional services beyond March 15, 2002. The Debtors in fact sought to have McKinsey perform additional services beyond the Engagement Period (the "Post-Engagement Period Services")² and on or about March 13, 2002, McKinsey filed a second supplemental affidavit (the "Second Supplemental Affidavit") to detail the scope of the Post-Engagement Period Services and the projected fees for those services. A copy of the Second Supplemental Affidavit is attached hereto as Exhibit "B".

8. On the Petition Date, McKinsey held a \$750,000 retainer paid pre-petition pursuant to the Engagement Letter which was applied against allowed postpetition fees and expenses in accordance with the Engagement Letter.

McKINSEY'S FINAL MONTHLY APPLICATION

9. Pursuant to the Administrative Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Professionals

¹ The Retention Order incorporated, with certain modifications, the terms of a Letter of Engagement between McKinsey and Hayes dated December 10, 2001 (the "Engagement Letter").

² McKinsey's Post Engagement Services included: (i) developing and helping to plan the implementation for a new cost estimation and quotation tool for the Wheels business; (ii) helping to plan and create a shared service center as part of the Debtors' efforts to rationalize and make more effective its overall corporate center; (iii) creating a model and implementation plan to centralize the completion of standardized, transactional services in HR, Finance, and Accounting to provide better service to the business units; and (iv) helping to redesign the product development process for the Suspension business.

entered on or about March 14, 2002 (the “Administrative Order”), McKinsey submits this Final Application for compensation for professional services rendered and reimbursement of charges and disbursements incurred in these cases during the Compensation Period.

10. On April 23, 2002, McKinsey filed its first monthly fee application (the “First Application”) for services rendered to the Debtors from December 5, 2001 through February 28, 2002 seeking compensation in the amount of \$2,850,000.00 and reimbursement of out-of-pocket expenses, inclusive of expenses incurred by outside legal counsel, in the amount of \$6,813.00³. On May 10, 2002, the Debtors filed a Certificate of No Objection authorizing the Debtors to pay McKinsey 80% of the fees requested in the First Application (\$2,280,000.00) and 100% of the expenses requested (\$6,813.00), for a total amount of \$2,286,813.00. McKinsey has received payment of \$2,286,813.00 for services rendered and expenses incurred pursuant to the First Application

11. On July 30, 2002, McKinsey filed its second monthly fee application (the “Second Application”) for services rendered to the Debtors from March 1, 2002 through April 12, 2002 seeking compensation in the amount of \$250,000.00 and reimbursement of out-of-pocket expenses, inclusive of outside legal counsel fees, in the amount of \$295,443.39. Pursuant to the Administrative Order, the Debtors to paid McKinsey 80% of the fees requested in the Second Application (\$200,000.00) and 100% of the expenses requested, minus an agreed upon reduction of \$150,000.00 (\$145,443.90), for a total amount of \$345,443.90. McKinsey has

³ McKinsey accrued actual expenses of \$388,138.00 during this application period. However, at the Petition Date, Hayes had a credit balance for expenses of \$381,325.00. Therefore, McKinsey only sought \$6,813.00 of expense reimbursement in the First Application.

received \$345,443.90 for services rendered and expenses incurred pursuant to the Second Application.⁴

12. Throughout the Application Period, McKinsey has worked closely with the Debtors and their advisors to improve the performance of the Debtors and maximize the return for creditors. These services were critical to both the analytical review and operational turnaround of certain of the Debtors' key business components and to the reorganization effort as a whole, and have saved the Debtors in excess of \$30 million per year.

13. Pursuant to this Final Application, McKinsey seeks approval on a final basis for services rendered throughout the Compensation Period in the aggregate amount of \$3,100,000.00 and reimbursement of out-of-pocket expenses, inclusive of outside legal counsel fees incurred in relation to McKinsey's performance of services to the Debtors throughout the Compensation Period, for a total amount of \$152,256.90. McKinsey also requests that the Debtors be authorized and directed to pay McKinsey \$57,000.00 of the \$620,000.00 of fees which were previously held back pursuant to the Administrative Order.

14. McKinsey does not, in the normal course, bill its clients in hourly or daily increments. Instead, its general practice is to bill clients a flat monthly fee, which may be inclusive of expenses or be in addition to expenses. McKinsey does not, in the normal course of its billing practices, itemize hours spent and expenses incurred on behalf of its clients.

15. Notwithstanding the foregoing, in accordance with the Retention Order, in the Compensation Period, McKinsey's professionals kept time records, in summary format, setting forth a description of the services rendered by each professional and the amount of time

⁴ McKinsey also received payment from the Debtors of \$563,000.00 after the filing of the Second Application. Therefore, the Debtors only owe McKinsey \$57,000.00 for authorized but unpaid services performed during the Compensation Period.

spent on each date by each such individual in rendering services on behalf of the Debtors (the “Listing”), a copy of which is annexed hereto as Exhibit “C.” McKinsey also maintained records of its outside counsel fees, copies of detailed bills for which are annexed hereto as Exhibit “D”, and out-of-pocket expenses, a breakdown of which is attached hereto as Exhibit “E”, incurred in connection with any matters related to its retention.

16. The following brief summary of services rendered during the Compensation Period by McKinsey is not intended to be a detailed recital of time spent by individual McKinsey personnel as that is set forth in the Listing attached as Exhibit “C”. Rather, it is merely an overview of the services provided by McKinsey to the Debtors:

- **Plant operations improvement.** Building on its earlier diagnostic work, McKinsey conducted “deep dive” performance improvement programs at Gainesville, Sedalia, Huntington, and Howell. Focusing on OEE improvement, McKinsey identified immediate cost reduction opportunities in line manning, scrap reduction, maintenance, and indirect/overhead expenses.
- **Product development process redesign in Suspension.** During a quick diagnostic, McKinsey identified both cost savings and effectiveness improvement opportunities in the Ferndale Tech Center and Suspension product development process. McKinsey then conducted an 8-part workshop series and set of supporting analyses fundamentally to redesign the development process, which effort is now being piloted across 4 development efforts in 2 separate customer situations. McKinsey worked with the Debtors to rebuild the process steps, documentation, and analytical tools required to improve product development, focusing on the implementation of integrated product development teams.
- **Cost estimation and quotation process redesign for Wheels.** Working with the Wheels business unit leadership (sales, costing, finance, engineering, and plants), McKinsey re-developed the cost estimation and quotation process. McKinsey modeled plant production economics for Huntington, Howell, and Sedalia, built a market-based pricing tool, conducted a scarp analysis for fabricated wheels, and tied the program together with a quotation process support tool. Such tools, in interim form, are being made available for use on Hayes’ systems and are already being used for upcoming customer bid development.
- **Shared services implementation.** McKinsey began an effort to develop a shared services center as a vehicle to redesign key accounting and HR processes to improve cost and effectiveness.

- **Support to the CEO.** McKinsey provided support to the CEO and to the Debtors' senior team throughout the Debtors' Chapter 11 reorganization process, specifically with regard to turnaround issues, helping to prepare relevant analyses and communications related to the office of the turnaround and critical customer support.
- **Product development process redesign in Suspension.** During a quick diagnostic, McKinsey identified both cost savings and effectiveness improvement opportunities in the Ferndale Tech Center and Suspension product development process. McKinsey then conducted an 8-part workshop series and set of supporting analyses fundamentally to redesign the development process, which effort is now being piloted across 4 development efforts in 2 separate customer situations. McKinsey worked with the Debtors to rebuild the process steps, documentation, and analytical tools required to improve product development, focusing on the implementation of integrated product development teams.

17. McKinsey submits that the foregoing services provided were necessary to improve the operations and management of the Debtors' businesses and maximize the value of their assets in connection with their strategic, operational and organizational reorganization issues.

APPLICABLE AUTHORITY

18. McKinsey was retained subject to the standard of review provided in Section 328 of the Bankruptcy Code pursuant to which it had the authority to be paid a flat monthly fee. Section 328 of the Bankruptcy Code provides, in part, that a debtor "with the court's approval, may employ or authorize the employment of a professional person under Section 327 ... on any reasonable terms and conditions of employment, including a retainer, on an hourly basis, or on a contingency fee basis." 11 U.S.C. § 328(a). As recognized by most courts, Congress intended in Section 328(a) to enable debtors to retain professionals pursuant to specific fee arrangements to be determined at the time of the court's approval of the retention, subject to reversal only if the terms are found to be improvident in light of "developments not capable of being anticipated at the time of the fixing of such terms and conditions." 11 U.S.C. § 328(a). See Donaldson, Lufkin & Jenrette Sec. Corp. v. Nat'l Gypsum Co. (In re Nat'l

Gypsum Co.), 123 F.3d 862-3 (5th Cir. 1997) (“If the most competent professionals are to be available for complicated capital restructuring and the development of successful corporate reorganization, they must know what they will receive for their expertise and commitment”). In furtherance of the foregoing and in accordance with the Retention Order, McKinsey agreed to file fee requests with the Court subject to “reasonableness standard” review under Section 330 of the Bankruptcy Code, provided that approval of the reasonableness of McKinsey’s fees and expenses shall not be evaluated on an hourly based criteria.

19. McKinsey submits that the amounts requested herein are fair and reasonable given: (i) the nature of the bankruptcy cases; (ii) the novelty and complexity of the bankruptcy cases; (iii) the time and labor required to represent the Debtors effectively; (iv) the time limitations imposed by the bankruptcy cases; (v) the nature and extent of the services rendered; (vi) McKinsey’s experience, reputation and ability; (vii) the value of McKinsey’s services; and (viii) the cost of comparable services other than in a case under the Bankruptcy Code.

20. In accordance with Title 18 U.S.C. § 155, no member of McKinsey has entered into any agreement, express or implied, with any other party-in-interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors’ assets.

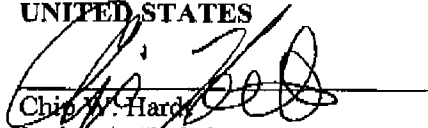
21. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between McKinsey or any member or consultant thereof, on the one hand, and any other person, on the other hand, for division of such compensation as McKinsey may receive for services rendered in connection with these cases, nor will any division of fees

prohibited by Section 504 of the Bankruptcy Code be made by any member or consultant of McKinsey.

WHEREFORE McKinsey respectfully requests (a) final approval of compensation for professional services rendered as management consultants for the Debtors in the sum of \$3,100,000.00 in professional fees incurred during the Compensation Period and reimbursement of actual and necessary expenses incurred during the Compensation Period in the sum of \$152,256.90, inclusive of outside legal counsel fees; (b) that the Debtors be authorized and directed to pay McKinsey \$57,000.00 of the \$620,000.00 of fees which were previously held back pursuant to the Administrative Order; and (c) such other and further relief as is just and proper.

Dated: Chicago, Illinois
August __, 2003

MCKINSEY & COMPANY, INC.
UNITED STATES



Chip W. Hardy
21 South Clark Street
Chicago, Illinois 60603

**Management Consultants to the Debtors and
Debtors-in-Possession**

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

- - - - - X
In re: : Chapter 11
: HAYES LEMMERZ INTERNATIONAL, : Case No. 01-11490 (MFW)
INC., et al., :
: Debtors. : Jointly Administered
: Related to Docket No. 103
- - - - - X

ORDER UNDER 11 U.S.C. §§ 327(a) AND
328(a) AND FED. R. BANKR. P. 2014(a) AND 2016
AUTHORIZING EMPLOYMENT AND RETENTION OF MCKINSEY &
COMPANY, INC. UNITED STATES AS MANAGEMENT CONSULTANT FOR
DEBTORS-IN-POSSESSION, NUNC PRO TUNC TO THE PETITION DATE

This matter having come before the Court on the application, dated December 22, 2001 (the "Application"),¹ Hayes Lemmerz International, Inc. ("Hayes") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession (collectively, the "Debtors"), for an order under 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 authorizing the Debtors' employment and retention of McKinsey & Company, Inc. United States ("McKinsey") as the Debtors' management consultants, nunc pro tunc to the Petition Date; and the Court having reviewed the Application, the affidavit,

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Application.

dated as of December 14, 2001, and supplemental affidavit, dated as of February __, 2002, of Richard K. Sykes in support of the Application, and the Retention Agreement between the Debtors and McKinsey, dated as of December 14, 2001, and the letter attached thereto as Exhibit A, copies of which are attached to the Application (the "Retention Agreement"); 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

FOUND THAT

A. McKinsey Performed certain consulting services pursuant to the Retention Agreement for the Debtors prior to the commencement of the cases;

B. McKinsey represents no interest adverse to any of the Debtors' estates with respect to the matters upon which it is to be engaged.

C. McKinsey is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code;

D. McKinsey's retention and employment on the terms set forth in the Retention Agreement is necessary and in the best interests of the Debtors' estates, creditors, and other parties-in-interest;

E. The terms of the Retention Agreement, including the indemnification obligations set forth therein, are reasonable terms of employment for purposes of section 328(a) of the Bankruptcy Code;

F. The Debtors have agreed that the work to be performed by McKinsey pursuant to its Engagement Letter is properly compensable based on McKinsey's normal fee arrangements for engagements requiring the number and seniority of personnel involved (including the number of teams dedicated to the performance of the services) and the scope and complexity of work to be performed for the Debtors (the "Fee Criteria"). Notwithstanding the foregoing, McKinsey will dedicate no more than five (5) teams of consultants consisting of three to five employees, which employees shall be dedicated on a full time basis. The Debtors believe that the services to be provided by McKinsey are critical to both the analytical review and operational turnaround of certain of the Debtors' key business components, which in turn constitutes a fundamental building block for the reorganization effort.

Based on the Fee Criteria, the compensable amount would be \$1.3 million for December 2001, \$1.4 million for January 2002, and \$900,000 projected for the period from February 1, 2002 through March 15, 2002, plus actual and necessary out-of-pocket expenses. Upon request, McKinsey will provide reasonable detail in connection with reconciling projected to actual expenses. The monthly fee charged to the Debtors will decrease if McKinsey dedicates fewer than the projected number of personnel on less than a full-time basis, or if the Debtors reduce or terminate the scope of work being performed; and it is therefore

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application be, and it hereby is, GRANTED.
2. Pursuant to sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016, the Debtors, as debtors and debtors-in-possession, be, and they hereby are, authorized to employ and retain McKinsey as management consultants under a general retainer, nunc pro tunc to the commencement of these cases, to perform the services and on the terms set forth in the Application and the Retention Agreement; provided:

(a) the first sentence of section 6.A. of the Retention Agreement is hereby modified to provide that indemnification extends to affiliates only if employees of such affiliates actually perform postpetition services under the Retention Agreement;

(b) the last sentence of section 6.A. of the Retention Agreement is hereby modified to delete the word "primarily" and insert the words "or relating to" after the words "in connection with";

(c) the last sentence of section 6.B. of the Retention Agreement is hereby modified to delete the word "primarily" and insert the words "or relating to" after the words "in connection with";

(d) section 6.C. of the Retention Agreement is hereby modified to delete the parenthetical "(whether or not an Indemnified Person is an actual or potential party to such claim, action or proceeding)" on the third and fourth line thereof, and is hereby modified to provide that the Debtors are only restricted from settling claims where McKinsey is a party or is reasonably likely to have liability, in which case the Debtors must give McKinsey notice and either get McKinsey an unconditional release, get its consent to the settlement, which consent shall not be unreasonably withheld, or

obtain approval from the Bankruptcy Court after McKinsey has an opportunity to raise any objection to the proposed settlement;

(e) section 7 of the Retention Agreement shall not be deemed to limit, modify or diminish the obligation of McKinsey to be disinterested and not represent any entity that holds an interest adverse to the Debtors to the extent required by this Court in the Retention Order; and

(f) nothing herein shall be deemed to limit McKinsey's ability to continue to seek reimbursement of reasonable attorneys' fees and costs incurred in connection with its retention, and compliance with applicable Bankruptcy Code provisions.

3. McKinsey shall be compensated in accordance with terms of the Retention Agreement, subject to the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules and Local Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.

4. Based upon the Fee Criteria, McKinsey shall be compensated for services rendered during December 2001 in an amount up to \$1.3 million (the "December Fees"), January 2002 in an amount up to \$1.4 million (the

"January Fees") and the period of February 1, 2002 through March 15, 2002 in the projected amount of \$900,000 (the "Projected February Fees" and together with the December Fees and the January Fees, the "Monthly Fees"), plus actual and necessary out-of-pocket expenses, provided, however, that the Monthly Fees charged to the Debtors shall decrease if McKinsey dedicates fewer than the projected number of personnel on a less than full-time basis of if the Debtors reduce or terminate the scope of work currently being performed.

5. The services to be provided by McKinsey pursuant to the Engagement Letter are expected to be completed by March 15, 2002 (the "Engagement Period"). If the Debtors seek to have McKinsey perform any additional services beyond the Engagement Period in order to complete its current assignments or for specific new projects (the "Post-Engagement Period Services"), McKinsey shall file an additional supplemental affidavit (the "Additional Supplemental Affidavit") with the Court describing such Post-Engagement Period Services, the timing for the completion of such services and the amount of fees and expenses expected to be incurred in connection therewith (the "Projected Post-Engagement Period Fees"). Any Additional Supplemental Affidavit shall be

served upon the Official Committee of Unsecured Creditors, the United States Trustee and the Agent for the Debtors' postpetition secured lenders (the "Notice Parties"). The Notice Parties shall have seven (7) days after receipt of any Additional Supplemental Affidavit (the "Objection Period") to object to the Post-Engagement Period Services described in the Additional Supplemental Affidavit. If the Notice Parties do not contact the Debtors with any objections, after such Objection Period, the Debtors shall be permitted to continue McKinsey's retention on the limited basis set forth in the Additional Supplemental Affidavit and pay the Projected Post-Engagement Period Fees in accordance with Paragraph 7 hereof.

6. The indemnification provisions set forth in the Retention Agreement are approved, subject during the pendency of the Debtors' bankruptcy cases to the following:

(a) the indemnification authorized herein shall not apply to prepetition services rendered by McKinsey on behalf of the Debtors; provided that nothing herein shall be deemed to modify or waive any other rights or claims McKinsey may have with respect to indemnification for such prepetition services.

(b) subject to the provisions of subparagraph (d) infra, the Debtors are authorized to indemnify, and shall indemnify McKinsey in accordance with the Retention Agreement for any claim arising from, related to or in connection with the postpetition services provided for in the Retention Agreement (the "Services"), but not for any claim arising from, related to, or in connection with McKinsey's postpetition performance of any other services unless such postpetition services and indemnification therefor are approved by the Court;

(c) notwithstanding any provisions of the Retention Agreement to the contrary, the Debtors shall have no obligation to indemnify McKinsey or provide contribution or reimbursement to McKinsey for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen from McKinsey's gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to McKinsey's gross negligence or willful misconduct, but determined by the Court, after notice and a hearing pursuant to subparagraph (d) infra, to be a claim or expense for which McKinsey should not receive indemnity, contribution or reimbursement under the terms of the Retention Agreement;

(d) if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing these chapter 11 cases, McKinsey believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Retention Agreement or Indemnification Letter (as modified by this Order), including without limitation the advancement of defense costs, McKinsey must file an application therefor in this Court, and the Debtors may not pay any such amounts to McKinsey before the entry of an order by this Court approving the payment. This subparagraph (d) is intended only to specify the period of time during which the Court shall have jurisdiction over any request for compensation and expenses by McKinsey for indemnification, contribution or reimbursement and not a provision limiting the duration of the Debtors' obligation to indemnify McKinsey; and

(e) notwithstanding subparagraphs (a) through (d) infra, the Notice Parties, and only the Notice Parties, shall have the right to object to the indemnification provisions approved herein if, during the

Debtors' cases, the United States Court of Appeals for the Third Circuit issues a ruling with respect to the appeal from the decision of the United States District Court for the District of Delaware with respect to indemnification rights in In re United Artists Theatre Company, et al., Case No. 00-3514 (SLR); provided that the Notice Parties shall be required to file any such objection within 60 days after the date the United States Court of Appeals for the Third Circuit issues such a ruling.

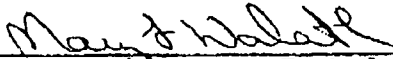
7. McKinsey shall file interim and final fee applications for allowance of its compensation and expenses with respect to its services with the Court in accordance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Rules and orders of the Court; provided, however, that McKinsey may submit time records in a summary format which shall set forth a description of the services rendered by each professional and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtors and, therefore, the information requirements of Del. Bankr. LR 2016-2 are hereby modified and waived, to the extent necessary, with respect to McKinsey. The Debtors are authorized to pay McKinsey's monthly fees as provided

in the Retention Agreement, in accordance with any monthly payment orders entered by the Court, subject to approval by the Court of interim and final applications. All fees and reimbursements paid or payable to McKinsey in accordance with the Retention Agreement and this Order shall be subject to this Court's approval.

8. Notwithstanding anything to the contrary herein or in the Retention Agreement, all of McKinsey's fees and expenses in these cases, including any Post-Engagement Period Fees, if any, shall be subject to approval of the Court under a "reasonableness" standard upon proper application by McKinsey in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the local rules of this Court and any other applicable orders of this Court, with the express reservation of rights of all parties in interest; pro-
vided, however, that the approval of the reasonableness of McKinsey's fees and expenses shall not be evaluated on an hourly based criteria.

9. This Court shall retain exclusive jurisdiction to construe and enforce the terms of the Application, the Retention Agreement and this Order.

Dated: Wilmington, Delaware
February 14, 2002



Honorable Mary F. Walrath
United States Bankruptcy Judge

EXHIBIT B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

- - - - -X
:
In re: : Chapter 11
:
HAYES LEMMERZ INTERNATIONAL, : Case No. 01-11490 (MFW)
INC., et al., :
: Jointly Administered
Debtors. :
: Related to Docket No. 375
- - - - -X

**SECOND SUPPLEMENTAL AFFIDAVIT OF RICHARD K. SYKES
PURSUANT TO ORDER UNDER 11 U.S.C. §§ 327(a) AND
328(a) AND FED. R. BANKR. P. 2014(a) AND 2016
AUTHORIZING EMPLOYMENT AND RETENTION OF MCKINSEY &
COMPANY, INC. UNITED STATES AS MANAGEMENT CONSULTANT FOR
DEBTORS-IN-POSSESSION, NUNC PRO TUNC TO THE PETITION DATE**

STATE OF MICHIGAN)
) ss.:
COUNTY OF WAYNE)

RICHARD K. SYKES, being duly sworn, declares as follows:

1. I am a Principal in the professional services firm of McKinsey & Company, Inc. United States ("McKinsey"), which maintains an office at, among other places, 21 South Clark Street, Suite 2900, Chicago, Illinois 60603-2900, and am duly authorized to make this Affidavit on behalf of McKinsey.

2. On December 14, 2001, I submitted an affidavit (the "Initial Affidavit") in support of the appli-

cation (the "Application") of above-captioned debtors and debtors-in-possession (collectively, the "Debtors) for an order authorizing the employment and retention of McKinsey as management consultants to the Debtors, nunc pro tunc to the Petition Date, for the purpose of providing management consulting services to the Debtors during these chapter 11 cases, all in accordance with the terms of the Retention Agreement between the Debtors and McKinsey, dated December 14, 2001, and the letter attached thereto as Exhibit A, copies of which were attached to the Application as Exhibit A (collectively, the "Retention Agreement").

3. On February 13, 2002, I submitted a supplemental affidavit (the "Supplemental Affidavit") to expand upon my statements in the Initial Affidavit and to provide detail regarding McKinsey's fee structure and actual fee levels incurred and fees expected to be incurred pursuant to the Retention Agreement.

4. On February 14, 2002, the Bankruptcy Court entered Order under 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 Authorizing Employment and Retention of McKinsey & Company, Inc. United States as Management Consultant for Debtors-in-possession, Nunc Pro Tunc to the Petition Date (Docket No. 375) (the

"Retention Order")¹ approving McKinsey's retention pursuant to the Retention Agreement to provide services to the Debtors through March 15, 2002 (the "Engagement Period"). The Retention Order also set forth procedures for notice and disclosure in the event the Debtors requested McKinsey to perform any additional services beyond the Engagement Period in order to complete its current assignments or for specific new projects (the "Post-Engagement Period Services"). Specifically, the Retention Order requires McKinsey to file with the Court an additional supplemental affidavit describing such Post-Engagement Period Services, the timing for the completion of such services and the amount of fees and expenses expected to be incurred in connection therewith (the "Projected Post-Engagement Period Fees").

5. Because the Debtors have requested McKinsey to provide Post-Engagement Period Services, I submit this second supplemental affidavit (the "Second Supplemental Affidavit") to describe the scope of Post-Engagement Period Services requested by the Debtors and proposed to be provided by McKinsey, the timing for the completion of

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Retention Order.

such services and the Projected Post-Engagement Period Fees expected to be incurred in connection therewith.

6. This Second Supplemental Affidavit will serve to provide written notice of the scope of services required and expected fees to be incurred in connection with the Post-Engagement Period Services to the Official Committee of Unsecured Creditors, the United States Trustee and the Agent to the Debtors' post-petition secured lenders in accordance with the Retention Order.

7. I submit that the Post-Engagement Period Services to be provided by McKinsey are critical to both the analytical review and operational turnaround of certain of the Debtors' key business components, which in turn constitutes a fundamental building block for the reorganization effort. Subject to the procedures in the Retention Order, the Debtors have requested and McKinsey shall provide the following Post-Engagement Period Services:

- (a) Develop and help to plan the implementation for a new cost estimation and quotation tool for the Debtors' North American Wheels business unit. This tool should help the business unit make better business decisions pertaining to pricing, improve its service to customers during the quotation process, and get better understanding and control of costs in the plants; and

- (b) Help to redesign the product development process for the Suspension Components business unit. Working with a team of senior leaders from that unit, McKinsey will help to redesign processes related to engineering, planning, and development of new products so that they can be brought to market more effectively, more quickly, and more cost effectively.

8. McKinsey will dedicate 2 separate teams of consultants to be on site at the Debtors' facilities to render and complete the above-referenced services. Each team will consist of 3 to 5 staff persons, including managers and associates with varying amounts of seniority and expertise, on a full-time basis. The Post-Engagement Period Services are expected to last through no later than April 12, 2002. The Debtors may determine that it would be beneficial to have McKinsey continue to assist with the implementation of these efforts or related issues. In the event the Debtors require McKinsey's services beyond April 12, 2002, McKinsey shall submit an additional supplemental affidavit.

9. Based upon McKinsey's normal billing, McKinsey estimates that its fees for the Post-Engagement Period Services will not exceed approximately \$350,000, and ultimately may be less if McKinsey's services are completed prior to April 12, 2002. In addition, McKinsey will add 15% to 20% to its bill for necessary expenses,

which will be reconciled subsequently to actual expenditures.

10. Apart from the scope of the Post-Engagement Period Services, the time period and fees to be incurred, McKinsey will in all other respects be retained on the same terms and conditions as set forth in the Retention Order.

McKINSEY & COMPANY, INC. UNITED STATES

/s/ Richard K. Sykes
Richard K. Sykes
Principal

Sworn to and subscribed
before me this 13th day
of March, 2002

/s/ Patricia M. Cecchini
Patricia M. Cecchini, Notary Public
Oakland County, Michigan
My Commission Expires 4-2-2003

EXHIBIT C

HOURS

| Name | Position | 12/5 to | | | | | |
|----------------------|----------|---------|-----------|------------|---------|----------|--|
| | | 2/1 | 2/4 - 3/1 | 3/4 - 3/31 | 4/1-4/7 | 4/8-4/30 | |
| Rich Sykes | PR-DCS | 154.0 | 144 | 115 | - | 26 | |
| David Keeling | PR-ED | 88.0 | 44 | 0 | 0 | 0 | |
| Daniel Pacthod | PR-ED | 52.0 | | 0 | 0 | 0 | |
| Chip Hardt | PR-ED | 183.0 | 128 | 168 | 5 | 47 | |
| Steve Schwarzweelder | PR-DCS | 7.0 | | 0 | 0 | 0 | |
| Stephen Chun | EM | 275.0 | | 0 | 0 | 0 | |
| Werner Rehm | EM | 256.5 | 98 | 116 | | | |
| Pete Winiarski | EM | 271.0 | 5 | | | | |
| Robert Fredericks | EM | 413.0 | | | | | |
| Michael Murray | EM | 359.5 | 114 | 231 | | | |
| Jeff Holland | ASC-MMMP | 305.0 | | | | | |
| Craig Melrose | ASC-MMMP | 225.0 | 5 | | | | |
| Steve Stewart | ASC-MMMP | 186.0 | 16 | 61 | | | |
| Mike Ferrell | ASC-MMMP | 321.0 | | | | | |
| Ewan Duncan | ASC | 411.0 | 235 | 225 | | | |
| Mehmet Keteloglu | ASC | 408.0 | 246 | 254 | | 100 | |
| Anil D'Souza | ASC | 346.0 | | | | | |
| John Gatlin | ASC | 102.0 | | | | | |
| Venkat Alluri | ASC | 304.0 | | | 0 | 61 | |
| Rachel Bishop | ASC | 378.0 | 227 | 287 | 45 | | |
| Robert Lopez | ASC | 226.0 | | | | | |
| Andy Carmody | ASC | 372.0 | | | | | |
| Prashant Tewari | ASC | 320.0 | | | | | |

| Name | Position | HOURS | | | | | |
|-------------------|----------|----------------|----------------|----------------|---------------|---------------|--|
| | | 12/5 to 2/1 | 2/4 - 3/1 | 3/4 - 3/31 | 4/1-4/7 | 4/8-4/30 | |
| James Mavros | ASC | 367.0 | 235 | 235 | | | |
| Kalyan Mukherjee | ASC | 357.0 | | | | | |
| Carl Lingenfeller | ASC | | 129 | 66 | | | |
| Luke Taylor | ASC | 208.0 | 271 | 309 | 48 | | |
| CSS Total | | <u>6,895.0</u> | <u>1,897.0</u> | <u>2,067.0</u> | <u>198.00</u> | <u>134.00</u> | |
| Support staff | | 350.0 | 105 | 100 | 100 | 50 | |
| Total all | | <u>7,245.0</u> | <u>2,002.0</u> | <u>2,167.0</u> | <u>298.00</u> | <u>184.00</u> | |

Focus

Oversight of all workstreams

Operations: diagnostics (10 plants), implementation support;

Restructuring program coordination; Performance metrics; IT scan

Strategic assessment in Europe (Königswinter/ Schenk);

Restructuring program coordination; Budget support & review;

Operations turnaround office; Review Mexican JV structure and options; Cost estimate 7 quotation support; Engineering & development assessment; IT scan

Restructuring Plan: development & support; Develop and launch performance management program; Operations: diagnostics (10 plants), implementation support; Performance metrics

Cash flow management support; Restructuring program coordination; Budget support & review; Operations turnaround office; Performance metrics

Operations: diagnostics (10 plants), implementation support; Performance metrics

Operations: diagnostics (10 plants), implementation support; Performance metrics

Operations: diagnostics (10 plants), implementation support; Performance metrics; Engineering & Development assessment

Operations: diagnostics (10 plants), implementation support

Operations: diagnostics (10 plants), implementation support

Operations: diagnostics (10 plants), implementation support; Layout analysis & new business review in Suspension plant; Engineering & Development assessment

Operations: diagnostics (10 plants)

Operations: diagnostics (10 plants), implementation support; Engineering & Development assessment

Corporate center review; SGA assessment; Restructuring plan - development & support; Cost estimate & quotation support

Operations: diagnostics (10 plants), implementation support; Cash flow management support; Restructuring program coordination; Budget support & review; Operations turnaround office; Performance metrics

Operations: diagnostics (10 plants), implementation support

Corporate center review; SGA assessment; Restructuring plan - development & support; Cost estimate & quotation support

Operations: diagnostics (10 plants), implementation support

Operations: diagnostics (10 plants), implementation support

Focus

Operations: diagnostics (10 plants), implementation support,
Engineering & Development assessment
Purchasing opportunity scan; Strategic assessment in Europe
(Königswinter/ Schenk)
Organizational design
Corporate center review; SGA assessment; Restructuring plan -
development & support; Cost estimate & quotation support

Research, production and other support staff

EXHIBIT D

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

Invoice Date: January 31, 2002
Invoice Number: 252880

RE: 404621 MCKINSEY AND CO
0011 Hayes Lemmerz

| | |
|--|--------------------|
| Total For Professional Services Rendered | 5,647.50 |
| Total Disbursements/Charges | 621.25 |
| Total Bill | \$ 6,268.75 |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

January 31, 2002
Invoice: 252880

McKinsey and Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through December 31, 2001, including:

**RE: Hayes Lemmerz
404621. 0011**

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|--|--------------|--------------|
| 11/02/2001 | Discussion w/ N. Gilligan re: retention and payment in Hayes Lemmerz; re: Polaroid creditors' committee. | Keller, R. | 0.5 |
| 12/02/2001 | Review e-mails and voice mails to and from Nellie Gilligan and R. Keller re: McKinsey conflict check. | Takoudes, L. | 0.4 |
| 12/03/2001 | Telephone conferences with R. Sykes, N. Gilligan and Skadden re: McKinsey's Retention; e-mails to and from Kelly N. Gilligan re: McKinsey's Retention; review revised documents on McKinsey Retention papers. | Takoudes, L. | 1.5 |
| 12/04/2001 | Calls w/ N. Gilligan, R. Sykes re: revisions to retention documents. Call w/ McKinsey partners, N. Gilligan re: conflicts search. | Keller, R. | 1.5 |
| 12/04/2001 | Office conference with R. Keller re: McKinsey Retention papers; review comments and issues from McKinsey or Retention papers and conflicts check; telephone conference with R. Keller and N. Gilligan; revise draft Retention papers based on discussions with McKinsey; telephone conference with Skadden re: Disclosure. | Takoudes, L. | 3.7 |
| 12/05/2001 | Revise retention docs. | Keller, R. | 1.2 |
| 12/05/2001 | Revise Draft Order, Affidavit, Application and Retention Agreement. | Takoudes, L. | 0.4 |

| | | | |
|------------|---|--------------|-----|
| 12/06/2001 | Office conference with M. Speiser re: Disclosure in McKinsey's Affidavit; telephone conference with R. Sykes re: Comments to McKinsey Retention papers; telephone conference with R. Sykes. | Takoudes, L. | 0.2 |
| 12/07/2001 | Call w/ N. Gilligan re: revisions to retention papers, conflict status. | Keller, R. | 0.6 |
| 12/07/2001 | Telephone conference with R. Keller and N. Gilligan re: McKinsey Retention; finalize Retention Agreement. | Takoudes, L. | 0.9 |
| 12/10/2001 | Telephone conference with S. Williamson re: Retention papers of McKinsey; e-mail to McKinsey re: Same; e-mail revised comments to Skadden. | Takoudes, L. | 0.3 |
| 12/12/2001 | Revise McKinsey Retention papers; telephone conference with N. Gilligan re: same; telephone conference with R. Sykes re: same; telephone conference with S. Williamson re: same. | Takoudes, L. | 0.8 |
| 12/13/2001 | Calls w/ Skadden, email team re: retention status. | Keller, R. | 0.3 |
| 12/14/2001 | Telephone conference with R. Sykes re: Finalizing Affidavit executing ; finalzing retention papers and e-mails to and from Skadden re: same. | Takoudes, L. | 0.5 |
| 12/28/2001 | Review McKinsey application for Section 328 Invocation; memo to R. Keller re: same. | Takoudes, L. | 0.7 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|--|--------------|-------------|--------------|
| Keller, Robin | 4.1 | \$ 575 | \$ 2,357.50 |
| Takoudes, Lisa | 9.4 | 350 | 3,290.00 |
| Total For Professional Services Rendered | | | \$ 5,647.50 |

Matter Disbursement Summary

| | |
|-----------------------------|--------------------|
| Duplicating Costs-in House | \$ 43.05 |
| Facsimile Charges | 578.20 |
| Total Disbursements/Charges | \$ 621.25 |
| Total Bill | \$ 6,268.75 |

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

Invoice Date: February 20, 2002
Invoice Number: 256377

RE: 404621 MCKINSEY AND CO
0011 Hayes Lemmerz

| | |
|--|---------------------|
| Total For Professional Services Rendered | 24,905.00 |
| Total Disbursements/Charges | 971.94 |
| Total Bill | \$ 25,876.94 |

Please return this page with your remittance and please reference
the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

February 20, 2002
Invoice: 256377

Mckinsey And Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through January 31, 2002, including:

**RE: Hayes Lemmerz
404621.0011**

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|--|--------------|--------------|
| 01/08/2002 | Telephone conference with C. Hardt re: McKinsey Retention. | Takoudes, L. | 0.3 |
| 01/09/2002 | Review objections to retention from US Trustee, Committee, Bank lenders; call w/ Sykes, Gilligan re: same; call w/ Skadden re: same. | Keller, R. | 2.5 |
| 01/09/2002 | Office conference with R. Keller re: Objections to McKinsey's Retention Application; telephone conference M. Macallum re: Objections to McKinsey's Retention Agreement; review Objections to McKinsey's Retention; conference call with Skadden and McKinsey re: Same. | Takoudes, L. | 3.6 |
| 01/10/2002 | Call w/ Cred. Comm. counsel re: comments. Call w/ Skadden re: same. | Keller, R. | 1.5 |
| 01/10/2002 | Office conference with R. Keller re: Status on Objections to McKinsey's Applications; telephone conference with M. Macallum. | Takoudes, L. | 0.4 |
| 01/11/2002 | Calls w/ Gilligan and Sykes, Skadden and CIBC reps. re: objections to retention, emails re: same, revise indem. agmts. Call US Trustee. | Keller, R. | 2.2 |
| 01/11/2002 | Conference with R. Keller re: Objections to | Takoudes, L. | 2.9 |

| | | | |
|------------|--|--------------|-----|
| | McKinsey's Retention; telephone conference with Malora, Keller re: Banks Objections; conference call with Skadden and Keller re: Objections; conference call with McKinsey, Keller and Cogan re: Addressing Objections; draft amended Order for McKinsey re: Resolving Objections. | | |
| 01/14/2002 | Calls re: status of retention hearing. | Keller, R. | 1.2 |
| 01/14/2002 | Call with S. Williamson re: Status; conference call with Skadden and McKinsey re: Status; research in Third Circuit on what courts look at when determining Fee Allowance under Section 328; arrange invoices and retainer letters pre-petition for McKinsey for Committee's review; draft revised Order; draft Proffer for retention. | Takoudes, L. | 8.3 |
| 01/15/2002 | Attend meeting in Wilmington re: retention. | Cogan, B. | 8.6 |
| 01/15/2002 | Review article re: DIP filing. | Keller, R. | 0.2 |
| 01/15/2002 | Travel to Delaware for McKinsey Retention hearing, reviewing docs and preparing for hearing; negotiate with parties in interest including Skadden, the Bank and The Committee over McKinsey's Retention; attend court hearing; travel from Delaware to NY. | Takoudes, L. | 9.0 |
| 01/16/2002 | Calls w/ Golden, Bank counsel, Co. counsel, McKinsey reps. re: retention terms, Cred. Comm. meeting. | Keller, R. | 1.0 |
| 01/16/2002 | Conferences with Golden, Reich and Gilligin and Skadden re: McKinsey Retention issues; confence with Gilligin and Keller re: McKinsey Retention; e-mail to McKinsey re: Status on objections; telephone conference with Keller re: Same. | Takoudes, L. | 0.7 |
| 01/17/2002 | Calls, e-mails w/ McKinsey re: Cred. meeting to review retention. | Keller, R. | 0.3 |
| 01/17/2002 | Telephone conference with D. Keeling and M. Louse re: Meeting in NY with Company and Committee. | Takoudes, L. | 0.3 |
| 01/18/2002 | Attend Cred. Comm. meeting re: retention; Call w/ F. Perch, U.S. Trustee. | Keller, R. | 5.8 |
| 01/18/2002 | Telephone conference with G. Day re: United Artists appeal case. | Takoudes, L. | 0.1 |
| 01/21/2002 | Review update e-mail from R. Keller re: Supplemental application and affidavit and revising proposed order. | Takoudes, L. | 0.4 |
| 01/23/2002 | Telephone conference with S. Williamson re: Status | Takoudes, L. | 1.6 |

on Bank's Objection and Committees and Trustee's Agreements; draft insert for McKinsey's Supplemental Affidavit; telephone conference with M. Kramer at Alan Gump re: McKinsey's pre-petition invoices; telephone conference with R. Sykes re: Call with Banks.

| | | | |
|------------|---|--------------|-----|
| 01/24/2002 | Telephone conference with M. Kramer re: McKinsey's invoice. | Takoudes, L. | 0.2 |
| 01/25/2002 | Call w/ Bank Group re: retention; follow up calls w/ Sykes, Gilligan. | Keller, R. | 2.0 |
| 01/25/2002 | Telephone conference with R. Sykes re: Bank/Hayes/McKinsey conference call; telephone conference with R. Keller and N. Gilligan re: Results of same; draft Supplemental Affidavit for R. Sykes re: Changes req'd. | Takoudes, L. | 0.9 |
| 01/28/2002 | Draft supplemental affidavit for R. Skes to resolve/address Objections; draft amended Order re: Same. | Takoudes, L. | 0.8 |
| 01/29/2002 | Revise Order and Supplemental Affidavit. | Keller, R. | 0.5 |
| 01/29/2002 | Office conference with R. Keller re: Status on McKinsey's Retention; e-mail revised Order and Supplemental Affidavit to M. McCullogh; telephone conference with M. M re: Same. | Takoudes, L. | 0.3 |
| 01/31/2002 | Telephone conference with S. Williamson re: Status on McKinsey Retention (.1); e-mail same (.1). | Takoudes, L. | 0.2 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|----------------|--------------|-------------|--------------|
| Cogan, Brian | 8.6 | \$ 525 | \$ 4,515.00 |
| Keller, Robin | 17.2 | 575 | 9,890.00 |
| Takoudes, Lisa | 30.0 | 350 | 10,600.00 |

Total For Professional Services Rendered \$ 24,905.00

Matter Disbursement Summary

| | |
|----------------------------------|----------|
| Meals | \$ 16.60 |
| Local Transportation | 64.02 |
| Duplicating Costs-in House | 34.05 |
| Lexis/Nexis | 1.25 |
| Facsimile Charges | 99.32 |
| Travel Expenses - Transportation | 283.00 |
| Westlaw | 473.70 |

Total Disbursements/Charges \$ 971.94

Total Bill \$ 25,876.94

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

| | | |
|------------|---|---------------------|
| | Invoice Date: | March 11, 2002 |
| | Invoice Number: | 257559 |
| RE: | 404621 MCKINSEY AND CO | |
| | 0011 Hayes Lemmerz | |
| | Total For Professional Services Rendered | 8,655.00 |
| | Total Disbursements/Charges | 484.59 |
| | Total Bill | <u>\$ 9,139.59</u> |
| | Previous Balance | 25,876.94 |
| | BALANCE DUE | <u>\$ 35,016.53</u> |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

March 11, 2002
Invoice: 257559

Mckinsey And Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through February 28, 2002, including:

**RE: Hayes Lemmerz
404621. 0011**

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|--|--------------|--------------|
| 02/05/2002 | Call Golden, review Banks' mark up. | Keller, R. | 0.4 |
| 02/05/2002 | Review comments on Supplemental Affidavit and proposed Retention Order from Agent Baddis; office conference with R. Keller re: Same. | Takoudes, L. | 0.4 |
| 02/06/2002 | Office conference with R. Keller re: Comments by Agent Banks on proposed Retention Order and Supplemental Affidavit. | Takoudes, L. | 0.3 |
| 02/08/2002 | Telephone conference with N. Gilligan re: revised affidavit and notice (.2) | Takoudes, L. | 0.1 |
| 02/11/2002 | Calls re: finalizing retention terms. | Keller, R. | 0.4 |
| 02/11/2002 | Various multiple telephone conferences with R. Sykes re: McKinsey Retention; telephone conference with N. Gilligan re: Same; multiple telephone conferences with M. MacCullough; telephone conference with R. Keller re: Comments to same. | Takoudes, L. | 4.6 |
| 02/12/2002 | Calls re: Hayes retention papers (Takoudes, Skadden, Lenders) | Keller, R. | 0.3 |
| 02/13/2002 | Calls Williamson, Clifford Chance counsel re: resolutions of open issues on McKinsey indemnity; | Keller, R. | 2.0 |

| | | | |
|------------|--|--------------|-----|
| | drafting affidavit and order. Call Lazard counsel. | | |
| 02/13/2002 | Telephone conference with Rich Sykes re: Affidavit; e-mails to and from S. Williamson re: Same; office conference with RK and NG re: Same; telephone conference with RK and MM re: Indemnity; review revised Affidavit and Order; review Committee comments. | Takoudes, L. | 1.0 |
| 02/14/2002 | Prepare for and attend Court hearing on McKinsey retention. Travel to/from Wilmington. | Keller, R. | 5.5 |
| 02/14/2002 | Telephone conference with R. Stark re: Comments by Committee to McKinsey Retention Order; communicate with R. Keller re: Same. | Takoudes, L. | 0.2 |
| 02/21/2002 | Draft Supplemental affidavit for McKinsey doing work for Debtor post March 15, 2001; office conference with R. Keller re: Same. | Takoudes, L. | 0.6 |
| 02/22/2002 | Revise McKinsey Supplemental Affidavit. | Takoudes, L. | 0.3 |
| 02/27/2002 | Attempt to obtain back-up filings on United Artists Appeal indemnification issues. | Takoudes, L. | 0.6 |
| 02/28/2002 | Telephone conference with N. Gilligan re: Supplemental Affidavit; telephone conference with R. Sykes re: Same; review briefs on indemnification issues on United Artists appeal. | Takoudes, L. | 2.5 |

| <u>Summary of Hours</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|--|--------------|-------------|--------------|
| Keller, Robin | 8.6 | \$ 575 | \$ 4,945.00 |
| Takoudes, Lisa | 10.6 | 350 | 3,710.00 |
| Total For Professional Services Rendered | | | \$ 8,655.00 |

Matter Disbursement Summary

| | |
|----------------------------------|----------|
| Local Transportation | \$ 76.28 |
| Duplicating Costs-in House | 9.00 |
| In House Messenger Service | 39.50 |
| Facsimile Charges | 52.81 |
| Travel Expenses - Transportation | 307.00 |

Total Disbursements/Charges \$ 484.59

Total Bill \$ 9,139.59

Previous Balance 25,876.94

BALANCE DUE \$ 35,016.53

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

| | | |
|------------|---|---------------------|
| | Invoice Date: | April 19, 2002 |
| | Invoice Number: | 259756 |
| RE: | 404621 MCKINSEY AND CO | |
| | 0011 Hayes Lemmerz | |
| | Total For Professional Services Rendered | 2,761.50 |
| | Total Disbursements/Charges | 467.96 |
| | Total Bill | \$ 3,229.46 |
| | Previous Balance | 35,016.53 |
| | BALANCE DUE | \$ 38,245.99 |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

April 19, 2002
Invoice: 259756

Mckinsey And Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through March 31, 2002, including:

RE: Hayes Lemmerz
404621.0011

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|---|--------------|--------------|
| 03/01/2002 | Review comments to Second Supplement Fee Affidavit provided by Chip Hardt and circulate to Skadden. | Takoudes, L. | 0.9 |
| 03/11/2002 | Telephone conference with C. Hardt re: Changes to fee levels in Affidavit; review draft 2nd Supplemental Affidavit; telephone conference with S. Williamson re: Same. | Takoudes, L. | 0.3 |
| 03/12/2002 | Telephone conference with C. Hardt re: expenses for Post Engagement Services; telephone conference with S. Williamson re: Same; e-mail to S. Williamson re: Changes to Affidavit. | Takoudes, L. | 0.7 |
| 03/13/2002 | Finalize Affidavit; telephoned conference with C. Hardt and S. Williamson re: Same; telephone conference with R. Sykes re: Same; e-mails to and from McKinsey and Skadden re: Same. | Takoudes, L. | 0.8 |
| 03/14/2002 | Review comments by UST to McKinsey's fee structure in 2nd Supplemental Affidavit. | Takoudes, L. | 0.3 |
| 03/18/2002 | O/C Takoudes re: amended retention terms, response to US Trustee questions. | Keller, R. | 0.5 |
| 03/18/2002 | Office conference with R. Keller re: McKinsey Hayes | Takoudes, L. | 0.5 |

Lemmerz retention; telephone conference with Perch re: Same.

| | | | |
|------------|---|--------------|-----|
| 03/19/2002 | Telephone conference with F. Perch re: McKinsey's Affidavit for additional services; review issues he had with McKinsey's retention. | Takoudes, L. | 0.2 |
| 03/20/2002 | Telephone conference Frank Perch re: McKinsey's Affidavit for Post-Engagement Services; telephone conference with Williamson re: Same; telephone conference with R. Keller re: Same. | Takoudes, L. | 0.6 |
| 03/26/2002 | Telephone conference with S. Williamson re: Status on McKinsey's Retention for Post Engagement services; office conference with R. Keller re: Same. | Takoudes, L. | 0.3 |
| 03/28/2002 | Telephone conference with McKinsey re: Ken Hiltz re: Solution on UST's objection to expenses in McKinsey's posts-engagement services. | Takoudes, L. | 0.3 |
| 03/29/2002 | Review draft McKinsey bill and provide comments on form/substance; e-mails telephone conferences with McKinsey re: Filing Fee Application; e-mails and telephone conferences with Skadden re: Same. | Takoudes, L. | 1.3 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|----------------|---------------------|--------------------|---------------------|
| Keller, Robin | 0.5 | \$ 625 | \$ 312.50 |
| Takoudes, Lisa | 6.2 | 395 | 2,449.00 |

Total For Professional Services Rendered \$ 2,761.50

Matter Disbursement Summary

| | |
|----------------------------------|----------|
| Duplicating Costs | \$ 18.45 |
| Process Service & Calendar Watch | 237.93 |
| Facsimile Charges | 14.58 |
| Travel Expenses - Transportation | 197.00 |

| | |
|-----------------------------|-----------|
| Total Disbursements/Charges | \$ 467.96 |
|-----------------------------|-----------|

| | |
|-------------------|--------------------|
| Total Bill | \$ 3,229.46 |
|-------------------|--------------------|

| | |
|------------------|-----------|
| Previous Balance | 35,016.53 |
|------------------|-----------|

| | |
|--------------------|---------------------|
| BALANCE DUE | \$ 38,245.99 |
|--------------------|---------------------|

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

| | | |
|------------|---|---------------------|
| | Invoice Date: | May 10, 2002 |
| | Invoice Number: | 261769 |
| RE: | 404621 MCKINSEY AND CO | |
| | 0011 Hayes Lemmerz | |
| | Total For Professional Services Rendered | 7,164.50 |
| | Total Disbursements/Charges | 628.89 |
| | Total Bill | \$ 7,793.39 |
| | Previous Balance | 35,016.53 |
| | BALANCE DUE | \$ 42,809.92 |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

May 10, 2002
Invoice: 261769

McKinsey and Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through April 30, 2002, including:

RE: **Hayes Lemmerz**
404621. 0011

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|---|--------------|--------------|
| 04/01/2002 | Telephone conference with S. Williamson and UST re: UST's Objection; telephone conference with Lavon @ McKinsey re: Same and McKinsey's bill. | Takoudes, L. | 0.2 |
| 04/08/2002 | Telephone conference with S. Williamson re: Fee Application and UST's Objection; commence drafting Fee Application for McKinsey. | Takoudes, L. | 1.6 |
| 04/09/2002 | E-mail info about Fee Application to McKinsey. | Takoudes, L. | 0.3 |
| 04/10/2002 | Continue drafting McKinsey's first interim fee application. | Takoudes, L. | 0.5 |
| 04/11/2002 | Telephone conference with C. Hardt re: McKinsey's Fee Application; e-mail to Steve Williamson re: Same; drat McKinsey's Fee Application. | Takoudes, L. | 2.1 |
| 04/15/2002 | Finalize draft of McKinsey First Fee Application; e-mail draft of Fee Application and cover memo to McKinsey. | Takoudes, L. | 3.2 |
| 04/22/2002 | Revise fee app, calls re: same w/ Lisa, McKinsey partners. | Keller, R. | 0.5 |
| 04/22/2002 | Conference with L. Takoudes re McKinney fee application filing; conference with Parcels re procedures; conference with L. Takoudes re same; draft Notice of Fee Application; download | Serrette, R. | 2.5 |

supplemental Affidavit as exhibit to fee application.

| | | | |
|------------|---|--------------|-----|
| 04/22/2002 | Telephone conference with G. Gay at Skadden re: Fee Application; finalize McKinsey's Fee Application to be filed on Hayes; office conference with R. Serrette re: Same; office conference with R. Keller re: Same; telephone conference with C. Hardt re: Same; telephone conference with N. Gilligan re: Same; multiple telephone conferences with L. Moch re: Same. | Takoudes, L. | 3.4 |
| 04/23/2002 | Preparation of service re: McKinsey & Co. Omnibus monthly fee application and first interim fee application for the period 12/5/01 to 2/28/02. | Mohamed, D. | 0.7 |
| 04/23/2002 | Conference with L. Takoudes re file of McKinney fee application in Haynes Lemmerz (.2); prepare same for filing including scanning of Exhibit (2.5); prepare same for service (1.7). | Serrette, R. | 4.4 |
| 04/23/2002 | Finalize McKinsey's First Fee Application (2.9). | Takoudes, L. | 2.9 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|---------------------|--------------|-------------|--------------|
| Keller, Robin | 0.5 | \$ 625 | \$ 312.50 |
| Mohamed, David | 0.7 | 100 | 70.00 |
| Serrette, Rosemarie | 6.9 | 170 | 1,173.00 |
| Takoudes, Lisa | 14.2 | 395 | 5,609.00 |

Total For Professional Services Rendered \$ 7,164.50

Matter Disbursement Summary

| | |
|----------------------------------|----------|
| Local Transportation | \$ 27.54 |
| Duplicating Costs-in House | 489.75 |
| Postage | 51.60 |
| Word Processing | 18.00 |
| Travel Expenses – Transportation | 42.00 |

Total Disbursements/Charges \$ 628.89

| | |
|-------------------------|---------------------|
| Total Bill | <u>\$ 7,793.39</u> |
| Previous Balance | 35,016.53 |
| BALANCE DUE | <u>\$ 42,809.92</u> |

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

| | | |
|------------|---|---------------------|
| | Invoice Date: | June 13, 2002 |
| | Invoice Number: | 264044 |
| RE: | 404621 MCKINSEY AND CO | |
| | 0011 Hayes Lemmerz | |
| | Total For Professional Services Rendered | 10,481.60 |
| | Total Disbursements/Charges | 352.02 |
| | Total Bill | \$ 10,833.52 |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

June 13, 2002
Invoice: 264044

McKinsey and Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through May 31, 2002, including:

**RE: Hayes Lemmerz
404621.0011**

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|--|--------------|--------------|
| 05/02/2002 | Call Stark re: comments on fee app. | Keller, R. | 0.3 |
| 05/03/2002 | Review response to Cred. Comm. comments w/ L. Takoudes; call Sykes. | Keller, R. | 0.5 |
| 05/03/2002 | Office conference with R. Keller re: Comments on McKinsey's Fee Application; telephone conference with B. Roark re: Same. | Takoudes, L. | 0.8 |
| 05/06/2002 | Multiple telephone conference with C. Hardt re: Fee level and expenses breakdown; telephone conference with B. Stark re: Same; telephone conference with R. Keller re: Same. | Takoudes, L. | 0.6 |
| 05/07/2002 | Calls w/ Takoudes, Gilligan, Stark re: Hayes supplemental fee docs. | Keller, R. | 0.3 |
| 05/07/2002 | Office conference with R. Keller re: Committee's issues with McKinsey's bills/fee application; e-mail to McKinsey re: Same. | Takoudes, L. | 0.3 |
| 05/08/2002 | N. Gilligan - Review Supplemental Fee materials. emails re: adjournment of Cred Comm objections. | Keller, R. | 0.3 |
| 05/09/2002 | Telephone conference with S. Williamson re: Expenses; telephone conference with N. Gilligan re: Same; review expense explanation from McKinsey for | Takoudes, L. | 4.1 |

| | | | |
|------------|--|---------------|-----|
| | Fee Application; telephone conference with B. Stark re: Same; e-mails and telephone conferences with B. Stark, Chip Hardt, N. Gilligan, S. Williamson re: Fee Application; draft e-mails re: Same. | | |
| 05/13/2002 | Telephone conference with R. Keller re: Hayes Fee Application; telephone conference with B. Stark and R. Keller re: Hayes Fee Application and Application. | Takoudes, L. | 0.9 |
| 05/14/2002 | Work on fee reconciliation. Call Hardt re: new work scope. | Keller, R. | 0.5 |
| 05/14/2002 | Office conference with R. Keller re: Fees and expenses; conference call with Chip Hardt and R. Keller re: Fee Application; drafting Supplemental Affidavit for Fee Application; e-mail to and from C Hardt re: Total fees and expenses. | Takoudes, L. | 2.5 |
| 05/15/2002 | Call w/ D. Golden re: expense requests, supplemental info.; email to McKinsey re: same. Review supplemental fee statement. | Keller, R. | 1.0 |
| 05/15/2002 | Draft reconciliation of Fees Requested; office conference with R. Keller re: Same. | Takoudes, L. | 0.8 |
| 05/16/2002 | Telephone conference B. Stark re: Fee criteria and Committee Objection; prepare memo and package of materials for notice parties re: McKinsey's support for Fee Application; office conference with R. Keller re: Same. | Takoudes, L. | 0.9 |
| 05/20/2002 | Review expense breakdown w/ C. Hardt; call Golden re: same. | Keller, R. | 0.7 |
| 05/20/2002 | Conference call w/ R. Keller and C. Wood re addition to spreadsheet (0.3) | Strasnick, J. | 0.3 |
| 05/21/2002 | Calls w/ Golden, Perch, Skadden re: sign off on expenses. Emails McKinsey re: same. | Keller, R. | 1.0 |
| 05/22/2002 | Calls/emails F. Perch re: expense review. | Keller, R. | 0.3 |
| 05/22/2002 | Conf with J. Strasnick re 5/31 hearing on fees; research re same; review of web site and docket to determine calendar schedule for 5/31; review notice of disclosure statement hearing; further research re McKinsey retention documents | Serrette, R. | 2.5 |
| 05/23/2002 | Calls Nellie Gilligan, Frank Perch re: expense reimb. issues. | Keller, R. | 0.4 |
| 05/24/2002 | Confs w/J. Strasnick to prepare for hearing on McKinsey fee application (.2); t/c with Judge's clerk to | Serrette, R. | 1.2 |

arrange for telephonic attendance at hearing (.2);
 review of e-mail re same (.1); t/c with G Day
 (Skadden) re issue of reimbursement of secretarial
 overtime in Delaware (.1); research re same (.2);
 download fee application (.4).

| | | | |
|------------|---|---------------|-----|
| 05/24/2002 | Voicemails from R. Keller re hearing on Tues (0.1); t/c to M. Williamson re client participating in hearing by telephone (0.1); o/cs w/ R. Serrette and R. Keller re hearing on Tues (0.3); email to McKinsey re UST's comments to fee order (0.1); t/cs w/ R. Keller and C. Hardt re UST's comments to fee app and hearing on Tues (1.3); left voicemail for N. Gilligan re same (0.1) | Strasnick, J. | 2.0 |
| 05/26/2002 | Reviewed correspondence file w/ client, UST and Debtors' counsel (0.6); reviewed court pleadings (0.7) | Strasnick, J. | 1.3 |
| 05/28/2002 | Hearing on interim fee application. Call C. Hardt. Follow up calls re: entry of order. | Keller, R. | 1.0 |
| 05/28/2002 | Prepared for hearing on McKinsey's fee app (0.3); conf. Call w/ C. Hardt and R. Keller re hearing (0.1); attended hearing by phone (0.4); conf call w/ R. Keller and C. Hardt re payment of fees and expenses (0.3); prepared docs to send to G. Day (0.1); left message for G. Day re same (0.1); drafted fax to G. Day re same (0.2); reviewed supplements to expense report (0.4); o/c w/ R. Keller re fee order (0.1); reviewed fee order (0.2); organized file (1.5); t/c w/ G. Day re revised fee order (0.2); t/c w/ R. Keller re drafting of order (0.1); t/c w/ G. Day re same (0.1); reviewed revised fee order and email to G. Day re same (0.3) | Strasnick, J. | 4.4 |
| 05/29/2002 | Reviewed revised order and certificate of counsel (0.2); t/c w/ G. Day re same (0.1); t/c w/ G. Day re fee order (0.1) | Strasnick, J. | 0.4 |
| 05/31/2002 | Left message for C. Hardt re final fee app and legal fees (0.1); left message for N. Gilligan re same (0.1); t/c w/ R. Keller re same (0.1) | Strasnick, J. | 0.3 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|---------------------|--------------|-------------|--------------|
| Keller, Robin | 6.3 | \$ 625 | \$ 3,937.50 |
| Serrette, Rosemarie | 3.7 | 170 | 629.00 |
| Strasnick, Joy D. | 8.7 | 185 | 1,609.50 |
| Takoudes, Lisa | 10.9 | 395 | 4,305.50 |

Total For Professional Services Rendered \$ 10,481.50

Matter Disbursement Summary

| | |
|-----------------------------|---------------------|
| Messenger Service | \$ 49.82 |
| Local Transportation | 41.88 |
| Duplicating Costs | 60.00 |
| Postage | 0.80 |
| Facsimile Charges | 199.52 |
| Total Disbursements/Charges | \$ 352.02 |
| Total Bill | \$ 10,833.52 |

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

SERVICE AND EXPENSE REMITTANCE SUMMARY

| | | |
|------------|---|--------------------|
| | Invoice Date: | July 17, 2002 |
| | Invoice Number: | 267577 |
| RE: | 404621 MCKINSEY AND CO | |
| | 0011 Hayes Lemmerz | |
| | Total For Professional Services Rendered | 1,934.50 |
| | Total Disbursements/Charges | -4.25 |
| | Total Bill | \$ 1,930.25 |

Please return this page with your remittance and please reference the client/matter number on all related correspondence.

Amount Paid: \$ _____

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

July 17, 2002
Invoice: 267577

Mckinsey And Co
55 East 52nd Street
New York, NY 10022
Attn: Randi Zeller, Esq.

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through June 30, 2002, including:

**RE: Hayes Lemmerz
404621. 0011**

| <u>Date</u> | <u>Description</u> | <u>Name</u> | <u>Hours</u> |
|-------------|--|---------------|--------------|
| 06/03/2002 | Message from R. Keller re final fee app (0.1); email to C. Hardt re same (0.3) | Strasnick, J. | 0.4 |
| 06/04/2002 | Email from C. Hardt re continued work for McKinsey (0.1); left message for C. Hardt re same (0.1); t/c w/ C. Hardt re same (0.2); t/c w/ C. Hardt re call for tomorrow (0.1); left message for D. Azrilen re billing (0.1) | Strasnick, J. | 0.6 |
| 06/05/2002 | Call w/ C. Hardt re: scope of new work project. | Keller, R. | 0.7 |
| 06/05/2002 | Conf. Call w/ R. Keller and C. Hardt re new work for McKinsey (0.5) | Strasnick, J. | 0.5 |
| 06/06/2002 | Organized file (1.3) | Strasnick, J. | 1.3 |
| 06/07/2002 | Review Stroock bills for inclusion in fee app. | Keller, R. | 0.2 |
| 06/10/2002 | Meeting w/ R. Keller re next fee app and new McKinsey work | Strasnick, J. | 0.3 |
| 06/13/2002 | Reviewed correspondence w/ debtor's counsel and UST re fee app; reviewed fee app | Strasnick, J. | 1.7 |
| 06/17/2002 | Reviewed article in DBR re bondholder suits | Strasnick, J. | 0.1 |

| | | | |
|------------|---|---------------|-----|
| 06/21/2002 | O/c w/ D. Azrilen re bills for fee app; left message for C. Hardt re description of work completed for same | Strasnick, J. | 0.2 |
| 06/25/2002 | Prepared 2nd fee app | Strasnick, J. | 0.4 |
| 06/27/2002 | T/c w/ Lavon re conf. call on Monday to discuss next fee app; message and email to R. Keller re same | Strasnick, J. | 0.1 |

Summary of Hours

| | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|-------------------|--------------|-------------|--------------|
| Keller, Robin | 0.9 | \$ 625 | \$ 562.50 |
| Strasnick, Joy D. | 5.6 | 245 | 1,372.00 |

Total For Professional Services Rendered \$ 1,934.50

Matter Disbursement Summary

| | |
|----------------------------|----------|
| Duplicating Costs-in House | \$ 18.15 |
| Facsimile Charges | -22.40 |

Total Disbursements/Charges \$ -4.25

Total Bill \$ 1,930.25

| | | Support personnel - Report production, secretarial, research | Transportation, lodging, meals | Office Services and telecom | Computer/IT | Other | Total | |
|-------------|--------------|---|-----------------------------------|--------------------------------|--------------|---------------|-------|--------------|
| HYM1 | December | 7092 | 53549 | 9217 | 8551 | -13188 | | 6522 |
| | January | 1053 | 19407 | 707 | 4 | -3675 | | 1749 |
| | February | 0 | -40321 | -7365 | -8551 | -1877 | | -5811 |
| | March | 0 | 3159 | 527 | 0 | -2004 | | 168 |
| | April | 0 | 2042 | 587 | 0 | -4085 | | -145 |
| | Total | 8145 | 37836 | 3673 | 4 | -24829 | | 2482 |
| HYM3 | December | 5085 | 14275 | 1759 | 0 | 0 | | 2111 |
| | January | 9827 | 18566 | 3365 | 4137 | 2964 | | 3885 |
| | February | 1504 | 37154 | 4152 | 3195 | 2528 | | 4853 |
| | March | 45 | 1307 | 614 | 0 | 3399 | | 536 |
| | April | 0 | 0 | 0 | 0 | 394 | | 39 |
| | Total | 16461 | 71302 | 9890 | 7332 | 9285 | | 11427 |
| HYM4 | December | 5845 | 12619 | 966 | 0 | 8821 | | 2825 |
| | January | 14734 | 13605 | 2320 | 2448 | 2055 | | 3516 |
| | February | 12905 | 50306 | 6109 | 4970 | 4464 | | 7875 |
| | March | 46786 | 35962 | 4143 | 3885 | 6079 | | |
| | April | 43092 | 23408 | 1334 | 450 | 1055 | | |
| | Total | 123362 | 135900 | 14872 | 11753 | 22474 | | 14216 |
| HYM5 | December | 7397 | 5632 | 703 | 0 | 0 | | 1373 |
| | January | 13672 | 9569 | 2034 | 2349 | 1438 | | 2906 |
| | February | 8380 | 29466 | 11993 | 16261 | 3963 | | 7006 |
| | March | 6157 | 17072 | 3299 | 4641 | 6625 | | |
| | April | 377 | 3162 | 89 | 0 | 0 | | |
| | Total | 35983 | 64901 | 18118 | 23251 | 12026 | | 11285 |
| HYM6 | March | 3835 | 2433 | 165 | 0 | 0 | | |
| | April | 6676 | 2429 | 210 | 0 | 0 | | |

| | | Support personnel - Report production, secretarial, research | Transportation, lodging, meals | Office Services and telecom | Computer/IT | Other | Total | |
|---------------|--------------|---|-----------------------------------|--------------------------------|--------------|--------------|-------|---------------|
| Totals | December | 25419 | 86075 | 12645 | 8551 | -4367 | | 128323 |
| | January | 39286 | 61147 | 8426 | 8938 | 2782 | | 120579 |
| | February | 22789 | 76605 | 14889 | 15875 | 9078 | | 139236 |
| | March | | | | | | | |
| | April | | | | | | | |
| | Total | 183951 | 309939 | 46553 | 42340 | 18956 | | 394123 |

| HYM01 | | | | | |
|------------------------|-----------------|----------------|-----------------|--------------|--------------|
| | December | January | February | March | April |
| Travel | (40,322) | 19,407 | 53,549 | 3,159 | 2,042 |
| Air travel | (25,212) | 13767 | 35062 | 937 | 2042 |
| Bus meals | (1,154) | 721 | 1716 | 0 | 0 |
| Car rental | (3,688) | 1230 | 3688 | 395 | 0 |
| Lodging | (5,093) | 2008 | 5353 | 1053 | 0 |
| Meals alone | (807) | 308 | 937 | 371 | 0 |
| Personal car | (198) | 179 | 198 | 0 | 0 |
| Oth surf trvl | (151) | 56 | 500 | 0 | 0 |
| Taxi/limo | (1,952) | 507 | 4028 | 403 | 0 |
| Other | (2,067) | 631 | 2067 | 0 | 0 |
| Office services | 9,217 | (7,365) | 707 | 527 | 587 |
| Delivery | 449 | (127) | 18 | 0 | 0 |
| Supplies | 113 | (113) | 0 | 0 | 0 |
| Databases | 123 | 291 | 0 | 0 | 0 |
| Telco wired | 7456 | (6,756) | 474 | 285 | 587 |
| Wireless | 1076 | (660) | 215 | 242 | 0 |
| Admin | 7092 | 1814 | 0 | 0 | 0 |
| Report production | 4500 | 135 | 0 | 0 | 0 |
| R&I/IT Specialists | 500 | 761 | 0 | 0 | 0 |
| Secretarial | 617 | 0 | 0 | 0 | 0 |
| Other/transportation | 1475 | 918 | 0 | 0 | 0 |

HYM03

| | December | January | February | March | April | |
|----------------------|-----------------|----------------|-----------------|--------------|--------------|---|
| Travel | 14,275 | 18,566 | 37,154 | 1,307 | - | 0 |
| Air travel | 306 | 8404 | 28002 | 184 | 0 | 0 |
| Bus meals | 1230 | 2005 | 285 | 0 | 0 | 0 |
| Car rental | 3745 | 1904 | 879 | 390 | 0 | 0 |
| Lodging | 5955 | 2733 | 3823 | 518 | 0 | 0 |
| Meals alone | 1141 | 1238 | 975 | 0 | 0 | 0 |
| Personal car | 154 | 319 | 284 | 0 | 0 | 0 |
| Oth surf trvl | 252 | 152 | 251 | 75 | 0 | 0 |
| Taxi/limo | 1492 | 1087 | 2124 | 107 | 0 | 0 |
| Other | 0 | 724 | 531 | 33 | 0 | 0 |
| Office services | 1,759 | 3,365 | 4,152 | 614 | - | 0 |
| Delivery | 0 | 188 | 405 | 0 | 0 | 0 |
| Supplies | 435 | 170 | 125 | 0 | 0 | 0 |
| Databases | 0 | 0 | 123 | 0 | 0 | 0 |
| Telco wired | 326 | 2719 | 2524 | 61 | 0 | 0 |
| Wireless | 998 | 288 | 975 | 553 | 0 | 0 |
| Admin | 6948 | 11684 | 3008 | 3399 | 394 | 0 |
| Report production | 2300 | 6500 | 300 | 0 | 0 | 0 |
| R&I/IT Specialists | 1863 | 1967 | 0 | 0 | 0 | 0 |
| Secretarial | 2335 | 1286 | 1204 | 0 | 0 | 0 |
| Other/transportation | 450 | 1931 | 1504 | 3399 | 394 | 0 |

HYM04

| | December | January | February | March | April |
|----------------------|---------------|--------------|--------------|--------------|--------------|
| Travel | 12,621 | 13606 | 50305 | 35964 | 23407 |
| Air travel | 1244 | 6842 | 28253 | 14923 | 12743 |
| Bus meals | 860 | 504 | 1633 | 1149 | 710 |
| Car rental | 2529 | 1303 | 6046 | 4636 | 1337 |
| Lodging | 3619 | 2370 | 7035 | 8797 | 4407 |
| Meals alone | 778 | 991 | 1364 | 3541 | 1505 |
| Personal car | 69 | 31 | 369 | 0 | 13 |
| Oth surf trvl | 107 | 116 | 112 | 59 | 32 |
| Taxi/limo | 1112 | 1441 | 2720 | 2331 | 2003 |
| Other | 2303 | 8 | 2773 | 528 | 657 |
| Office services | | | | | |
| Delivery | | | | | |
| Supplies | 966 | 2,320 | 6,109 | 4,142 | 1,333 |
| Databases | 41 | 230 | 39 | 21 | 23 |
| Telco wired | 0 | 27 | 67 | 38 | 0 |
| Wireless | 0 | 0 | 0 | 124 | 277 |
| Admin | 0 | 1800 | 4709 | 2212 | 155 |
| Report production | 925 | 263 | 1294 | 1747 | 878 |
| R&I/IT Specialists | | | | | |
| Secretarial | | | | | |
| Other/transportation | 5845 | 14734 | 20352 | 46786 | 43092 |
| Travel | 3485 | 8000 | 8015 | 10000 | 8000 |
| Air travel | 0 | 0 | 7447 | 32236 | 32314 |
| Bus meals | 2000 | 3065 | 3000 | 2345 | 798 |
| Car rental | 360 | 3669 | 1890 | 2205 | 1980 |

HYM05

| | December | Jauary | February | March | April |
|----------------------|-----------------|---------------|-----------------|--------------|--------------|
| Travel | 5632 | 9569 | 29465 | 17072 | 3162 |
| Air travel | 0 | 216 | 7368 | 7461 | 950 |
| Bus meals | 1213 | 975 | 1715 | 2911 | 249 |
| Car rental | 1400 | 889 | 4784 | 2345 | 267 |
| Lodging | 2010 | 4105 | 9776 | 1901 | 1281 |
| Meals alone | 255 | 885 | 1363 | 410 | 71 |
| Personal car | 376 | 1669 | 121 | 256 | 0 |
| Oth surf trvl | 122 | 48 | 121 | 40 | 39 |
| Taxi/limo | 253 | 751 | 1901 | 1364 | 303 |
| Other | 3 | 31 | 2316 | 384 | 2 |
| Office services | | | | | |
| Delivery | | | | | |
| Supplies | 703 | 2,034 | 11,994 | 3,299 | 89 |
| Databases | 21 | 21 | 18 | 14 | 63 |
| Telco wired | 108 | 51 | 17 | 127 | 0 |
| Wireless | 150 | 350 | 0 | 123 | 0 |
| Admin | 82 | 1322 | 10499 | 2113 | 26 |
| Report production | 342 | 290 | 1460 | 922 | 0 |
| R&I/IT Specialists | | | | | |
| Secretarial | | | | | |
| Other/transportation | 10973 | 17643 | 13003 | 4923 | 377 |
| Travel | 6800 | 12000 | 7000 | 3753 | 377 |
| Air travel | 3576 | 3971 | 4623 | 0 | 0 |
| Bus meals | 597 | 592 | 570 | 0 | 0 |
| Car rental | 0 | 1080 | 810 | 1170 | 0 |

| | HYM6 | | |
|----------------------|--------------|--------------|----------------|
| | March | April | Total |
| Travel | 733 | 4252 | 314,925 |
| Air travel | 0 | 380 | 143,872 |
| Bus meals | 332 | 833 | 17,887 |
| Car rental | 0 | 200 | 34,279 |
| Lodging | 0 | 2038 | 61,651 |
| Meals alone | 114 | 265 | 15,705 |
| Personal car | 0 | 0 | 3,840 |
| Oth surf trvl | 3 | 0 | 1,934 |
| Taxi/limo | 284 | 524 | 22,783 |
| Other | 0 | 12 | 10,936 |
| Office services | | | - |
| Delivery | | | - |
| Supplies | 165 | 580 | 46,552 |
| Databases | 0 | 0 | 1,424 |
| Telco wired | 19 | 16 | 1,200 |
| Wireless | 0 | 0 | 1,561 |
| Admin | 0 | 22 | 30,616 |
| Report production | 146 | 542 | 12,496 |
| R&I/IT Specialists | | | - |
| Secretarial | | | - |
| Other/transportation | 3835 | 3105 | 212,067 |
| Travel | 3835 | 2000 | 87,000 |
| Air travel | 0 | 0 | 89,258 |
| Bus meals | 0 | 1105 | 19,514 |
| Car rental | 0 | 0 | 23,235 |

CERTIFICATE OF SERVICE

I, Michael W. Yurkewicz, hereby certify that on August 28, 2003, I caused the foregoing **Final Fee Application of McKinsey & Company, Inc. United States for Compensation for Services Rendered and Reimbursement of Charges and Disbursements Incurred as Management Consultant for Debtors-in-possession, Relating to the Period December 5, 2001 Through April 12, 2003** to be served on the parties set forth on the attached Exhibit A, by first class mail, postage paid, or in the manner indicated.

 /s/ Michael W. Yurkewicz
Michael W. Yurkewicz

EXHIBIT A
Service List

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