

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., :
Debtors. : Jointly Administered
- - - - -x Obj. Due: 8/25/03 at 4:00 p.m.

NOTICE OF FINAL FEE APPLICATION OF SKADDEN, ARPS, SLATE,
MEAGHER & FLOM (ILLINOIS) AND AFFILIATED LAW PRACTICE
ENTITIES FOR FINAL ALLOWANCE OF COMPENSATION AND CHARGES
AND DISBURSEMENTS INCURRED AS COUNSEL TO THE DEBTORS FOR
THE PERIOD OF DECEMBER 5, 2001 THROUGH JUNE 3, 2003

TO: ALL PARTIES ON THE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that on August 4, 2003,
Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden")
filed the annexed **Final Fee Application of Skadden,
Arps, Slate, Meagher & Flom (Illinois) and Affiliated
Law Practice Entities for Final Allowance of Compensa-
tion and Charges and Disbursements Incurred as Counsel
to the Debtors for the Period of December 5, 2001
Through June 3, 2003 (The "Application")**.

PLEASE TAKE FURTHER NOTICE that objections, if
any, to the Application must be made in writing, filed
with the United States Bankruptcy Court for the District

of Delaware (the "Bankruptcy Court"), 824 Market Street, Wilmington, Delaware 19801, and served so as to be re-
ceived by the following parties no later than **August 25, 2003 at 4:00 p.m. (Eastern time)**: (i) Hayes Lemmerz International, Inc., 15300 Centennial Drive, Northville, MI 48167, (Attn: Patrick C. Cauley, Esq.); (ii) Skadden, Arps, Slate, Meagher & Flom LLP, One Rodney Square, P.O. Box 636, Wilmington, Delaware 19899-0636 (Attn: Anthony W. Clark, Esq.), and Skadden, Arps, Slate, Meagher & Flom (Illinois), 333 West Wacker Drive, Chicago, Illinois 60606-1285 (Attn: J. Eric Ivester, Esq.), counsel to the Debtors; (iii) the United States Trustee, 844 King Street, Wilmington, DE 19801 (Attn: Joseph J. McMahon, Jr., Esq.); (iv) counsel for the Agent for the Debtors' prepetition Lenders and the Agent for the Debtors' postpetition debtor-in-possession Lenders, Clifford Chance Rogers & Wells LLP, 200 Park Avenue, New York, NY 10166-0153 (Attn: Margot B. Schonholtz) and Potter Anderson & Corroon LLP, Hercules Plaza, 1313 N. Market Street, P.O. Box 951, Wilmington, DE 19899-0951 (Attn: Laurie Selber Silverstein, Esq.), (collectively, the "Notice Parties").

PLEASE TAKE FURTHER NOTICE that if no objections to the Application is timely filed and served in accordance with the above procedures, an order may be entered granting the relief requested in the Application without further notice or a hearing. If an objection is properly filed and served in accordance with the above procedures, a hearing to consider the Application will be held on a date and time at the convenience of the Court 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. Only those objections made in writing and timely filed with the Bankruptcy Court and received by the Notice Parties will be considered by the Bankruptcy Court at such hearing.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS
NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED BY THE
APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: Wilmington, Delaware
August 4, 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
& FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899
(302) 651-3000

Attorneys for Debtors and
Debtors-in-Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
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HAYES LEMMERZ INTERNATIONAL, : Case No. 01-11490 (MFW)
INC., et al., : :
: Jointly Administered
Debtors. : :
: Obj. Due: 8/25/03 at 4:00 p.m.
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**FINAL FEE APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER
& FLOM (ILLINOIS) AND AFFILIATED LAW PRACTICE ENTITIES
FOR FINAL ALLOWANCE OF COMPENSATION AND CHARGES AND
DISBURSEMENTS INCURRED AS COUNSEL TO THE DEBTORS FOR
THE PERIOD OF DECEMBER 5, 2001 THROUGH JUNE 3, 2003**

Name of Applicant: Skadden, Arps, Slate, Meagher & Flom
(Illinois) and Affiliated Law Practices

Authorized to provide professional services to: Hayes Lemmerz
International, Inc., and certain subsidiaries

Date of retention: December 5, 2001

Period for which compensation and
reimbursement are sought: 12/5/01 - 6/3/03

Amount of compensation sought
as actual, reasonable, and necessary: \$12,018,585

Amount of expense reimbursement sought
as actual, reasonable, and necessary: \$969,138

This is a: monthly interim X final application.

MONTHLY FEE APPLICATIONS FILED

		Monthly Amounts Requested		Monthly Amounts Paid (subject to holdback)	
Date Filed	Period Covered	Fees	Expenses	Fees ¹	Expenses
8/4/03	5/1/03 through 6/3/03	\$2,663,356	\$192,039	pending	pending
7/31/03	4/1/02 through 4/30/03	\$1,346,024	\$91,076	pending	pending
7/25/03	3/1/03 through 3/31/03	\$1,202,863	\$96,295	pending	pending
4/28/03	2/1/03 through 2/28/03	\$685,249	\$38,302	\$548,199	\$38,302
4/17/03	1/1/03 through 1/31/03	\$471,894	\$40,495	\$377,515	\$40,495
3/7/03	12/1/02 through 12/31/02	\$571,546	\$30,424	\$457,237	\$30,424
1/14/03	11/1/02 through 11/30/02	\$444,496	\$55,125	\$355,597	\$55,125
1/14/03	10/1/02 through 10/31/02	\$573,861	\$67,964	\$459,089	\$67,964
1/14/03	9/1/02 through 9/30/02	\$417,209	\$28,094	\$333,767	\$28,094
10/11/02	8/1/02 through 8/31/02	\$322,109	\$28,020	\$257,687	\$28,020

		Monthly Amounts Requested		Monthly Amounts Paid (subject to holdback)	
Date Filed	Period Covered	Fees	Expenses	Fees ¹	Expenses
10/7/02	7/1/02 through 7/31/02	\$355,052	\$38,902	\$284,042	\$38,902
9/3/02	6/1/02 through 6/30/02	\$350,848	\$22,813	\$280,678	\$22,813
7/2/02	5/1/02 through 5/31/02	\$348,955	\$40,280	\$279,164	\$40,280
7/2/02	4/1/02 through 4/30/02	\$400,973	\$19,578	\$320,778	\$19,578
5/31/02	3/1/02 through 3/31/02	\$345,521	\$25,097	\$276,417	\$25,097

¹ Pursuant to the terms of the Administrative Order (defined in the Fee Application), if no objection to a Monthly Fee Application was filed within twenty (20) days of the date of filing of that application, then the Debtors were authorized to pay the applicable professional an amount equal to the lesser of (i) eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Monthly Fee Application (the "Maximum Payment") or (ii) 80% of the fees and 100% of the expenses set forth in the applicable Monthly Fee Application not subject to any objection. The 20% fee "holdback" amounts were subject to approval by the Court upon interim fee applications, a summary of which is set forth in on the following page.

INTERIM FEE APPLICATIONS FILED²

		Interim Amounts Requested		Interim Amounts Approved	
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses
5/20/03	12/1/02 through 2/28/03	\$1,728,689	\$109,221	\$1,728,689	\$109,221
1/17/03	9/1/02 through 11/30/02	\$1,435,566	\$151,183	\$1,435,566	\$151,183
10/16/02	6/1/02 through 8/31/02	\$1,028,009	\$89,735	\$1,028,009	\$89,735
7/15/02	3/1/02 through 5/31/02	\$1,095,449	\$84,955	\$1,095,449	\$84,955
4/15/02	12/5/01 through 2/28/02 ³	\$1,518,629	\$154,634	\$1,518,629	\$154,634

² As explained in more detail in the Fee Application, for purposes of judicial economy, Skadden, Arps did not file an interim fee application for the period of March 1, 2003 through May 31, 2003 (although monthly fee applications were filed). Instead, this fee application serves as an interim and final fee application for such period, as well as the period from June 1, 2003 through June 3, 2003.

³ For administrative efficiency with respect to the applications for the first interim period only, each of the Debtors' and Committee's professionals filed an omnibus fee application for the months of December, January, and February and first interim fee application for the same period, rather than filing four separate applications.

**COMPENSATION BY PROFESSIONAL PERSON
SKADDEN, ARPS, SLATE, MEAGHER & FLOM (ILLINOIS)
(DECEMBER 5, 2001 - JUNE 3, 2003)**

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
J. Eric Ivester	1985	\$612	1,458.8	\$892,960
Anthony W. Clark	1979	\$678	1,265.2	\$858,061
Allison L. Amorison	1993	\$513	653.5	\$335,556
Charles M. Fox	1983	\$690	402.5	\$277,834
Robert Pincus	1980	\$713	319.6	\$227,912
Andre LeDuc	1978	\$674	317.8	\$214,097
Alesia Ranney-Marinelli	1977	\$686	288.1	\$197,558
David M. Zornow	1988	\$661	196.3	\$129,851
Mark S. Chehi	1990	\$515	129.4	\$66,639
Rita Rodin	1994	\$545	12.2	\$6,649
Dana H. Freyer	1972	\$655	5.1	\$3,341
TOTAL PARTNERS			5,048.5	\$3,210,458
<u>COUNSEL</u>				
Stephanie Feld	1984	\$479	609.2	\$291,610
Christopher J. Gunther	1992	\$460	426.9	\$196,169
Christy L. McElhaney	1988	\$485	172.8	\$83,810
John Amodeo	1977	\$422	81.9	\$34,553

⁴ The blended rates set forth for certain professionals reflect the average billing rate for the entire Application Period and incorporate changes in billing rates and reduced billing rates for nonworking travel time.

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
Thomas Matz	2000	\$470	5.0	\$2,350
TOTAL COUNSEL			1,295.8	\$608,492
<u>ASSOCIATES</u>				
Stephen D. Williamson	1997	\$387	4,149.2	\$1,607,038
Jenelle M. Todryk	2001	\$275	3,000.9	\$824,014
Michael W. Yurkewicz	1998	\$315	1,909.0	\$600,868
Grenville R. Day	1998	\$368	1,586.7	\$583,612
Patrick J. Nash, Jr.	1996	\$340	1,310.5	\$445,358
Alexander B. Blades	1998	\$439	997.5	\$438,334
Karen Lee	1996	\$430	554.6	\$238,751
Timothy P. Olson	1996	\$389	577.3	\$224,317
Michelle Davis	1994	\$383	490.6	\$187,891
Stephen S. Sypherd	2002	\$269	676.6	\$182,240
Sina Toussi	1995	\$388	456.6	\$177,154
Andrea West Taetle	1997	\$431	372.1	\$160,561
Steven Daniels	1996	\$455	352.3	\$160,299
Thomas Lane	1999	\$395	404.1	\$159,620
Jeffrey Fuhrman	2002	\$283	514.4	\$145,477
Mario Ferrucci III	2001	\$295	358.6	\$105,788
Andrew Gold	1998	\$376	278.1	\$104,449
James A. Stoltzfus	1995	\$423	240.4	\$101,598
Lisa McLean	2002	\$267	319.3	\$85,392
Julia Paskaloff	2002	\$295	255.2	\$75,285
Wenseng Pan	1999	\$394	187.4	\$73,829
Barbara Dunne	1999	\$395	156.5	\$61,819
Christopher J. Gunther	1992	\$457	118.9	\$54,286

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
Zachary M. Ratzman	2000	\$348	151.1	\$52,599
Lucia Pascual	1995	\$395	132.8	\$52,457
Faiz Ahmad	2002	\$280	183.0	\$51,240
Jason Semmel	1997	\$415	101.5	\$42,123
Timothy R. Aragon	2002	\$234	173.9	\$40,778
Elizabeth Bartolo	1993	\$475	70.0	\$33,250
Alexander Gomez	pending	\$254	120.4	\$30,552
Brian J. Thompson	2000	\$335	89.7	\$30,050
Wesley Bartolo	2003	\$280	102.8	\$28,784
Jarett Epstein	2003	\$280	101.3	\$28,364
Sion Kim	2000	\$375	73.7	\$27,638
Bennett S. Silverberg	2001	\$335	80.0	\$26,801
Jaime Marsh Esler	2001	\$295	86.8	\$25,606
Karen Walny	2000	\$292	78.5	\$22,906
Martina Crespi-Reghiz	2003	\$375	58.6	\$21,975
Rosemary Goodier	1997	\$408	51.2	\$20,884
Paul J. Lockwood	1995	\$430	35.9	\$15,437
Adlai Hardin	1998	\$395	31.2	\$12,324
Betsy Hellman	1999	\$395	29.9	\$11,811
Jena Watson	1998	\$415	23.8	\$9,877
Thomas Fawkes	2002	\$236	35.8	\$8,449
James Talbot	1999	\$415	20.1	\$8,342
Madison Cashman	1999	\$330	23.9	\$7,887
Kenneth Rubenstein	1997	\$435	17.1	\$7,439
Jean Kim	2000	\$335	22.2	\$7,437
Bradley Enna	1996	\$395	18.5	\$7,308
James Fos	1992	\$330	20.9	\$6,897
Garth Grisbrook	2002	\$335	18.5	\$6,198

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
Marc Lawrence	1995	\$295	20.7	\$6,106
Brian S. Weinstein	2003	\$189	31.0	\$5,856
Susan Smith	2001	\$295	19.8	\$5,841
Tiffany Tran Boydell	1996	\$415	13.8	\$5,727
Kimberly deBeers	1995	\$455	12.2	\$5,551
Laura Engelhardt	2001	\$335	16.1	\$5,394
Benjamin Foster	1998	\$395	13.3	\$5,254
Paul Patrow	2000	\$335	15.3	\$5,126
Michael R. Davis	1997	\$395	10.8	\$4,266
Sarah Freson	2002	\$295	14.0	\$4,130
Barbara C. Rittmeister	1999	\$430	9.5	\$4,085
Harry Hutchinson	pending	\$240	14.4	\$3,456
David McFarlane	1999	\$390	7.5	\$2,925
Matthew Greenberg	1997	\$435	6.3	\$2,741
John P. Sheahan	1998	\$365	6.8	\$2,481
Martin Ziesler	1996	\$395	5.0	\$1,975
Brian Harty	2003	\$240	6.2	\$1,488
TOTAL ASSOCIATES			21,442.6	\$7,515,795
<u>FOREIGN INTERNS</u>				
Massimiliano Nitti	not admitted	\$170	43.8	\$7,446
Omar Puertas	1999	\$170	36.0	\$6,120
TOTAL FOREIGN INTERNS			79.8	\$13,566

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>SUMMER ASSOCIATES</u>				
Laura Sparks	n/a	\$164	73.3	\$11,994
Allison Herriott	n/a	\$170	40.2	\$6,834
Richard Favata	n/a	\$170	37.7	\$6,409
Brian Hanigan	n/a	\$170	16.0	\$2,720
Carlos Pineiro	n/a	\$170	7.4	\$1,258
Jeren Wei	n/a	\$170	5.1	\$867
TOTAL SUMMER ASSOCIATES			179.7	\$30,082
<u>PARAPROFESSIONALS</u>				
R. Rosen	n/a	\$170	1,261.5	\$214,288
C. Lano	n/a	\$165	695.5	\$115,030
C. Heaney	n/a	\$160	364.5	\$58,320
M. Rivera	n/a	\$80	375.4	\$30,032
J. Grace-Umoete	n/a	\$160	186.8	\$29,888
V. Skinner	n/a	\$80	194.0	\$15,520
R. Hassan	n/a	\$139	100.2	\$13,961
J. Kettner	n/a	\$160	83.6	\$13,376
D. Krech	n/a	\$130	100.7	\$13,091
D. Lucas	n/a	\$104	95.6	\$9,904
C. Stephens	n/a	\$110	69.6	\$7,656
J. Episcopo	n/a	\$74	96.2	\$7,166
P. Purcell	n/a	\$160	44.1	\$7,056
M. Kim	n/a	\$110	63.8	\$7,018
K. Lange	n/a	\$130	48.7	\$6,331
W. LaManna	n/a	\$160	38.1	\$6,096

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
L. Buckley	n/a	\$150	38.2	\$5,730
J. Gilchrist	n/a	\$195	27.3	\$5,324
M. Bennett	n/a	\$195	24.5	\$4,778
C. Ledyard	n/a	\$170	23.8	\$4,046
M. Keogh	n/a	\$150	23.9	\$3,585
P. Owens	n/a	\$195	16.0	\$3,120
R. Reinstein	n/a	\$110	28.1	\$3,091
M. Ashby	n/a	\$150	20.0	\$3,000
B. Burgos	n/a	\$130	21.4	\$2,782
D. Wiecks	n/a	\$110	24.8	\$2,728
E. Terhune	n/a	\$130	20.2	\$2,626
M. Sullivan	n/a	\$171	14.8	\$2,529
E. Engberg	n/a	\$130	18.4	\$2,392
A. Fratta	n/a	\$130	17.9	\$2,327
M. Buchwald	n/a	\$130	16.8	\$2,184
C. Kwiatkowski	n/a	\$160	12.0	\$1,920
C. Wall	n/a	\$130	14.6	\$1,898
L. Brahm	n/a	\$130	14.1	\$1,833
J. Ariola	n/a	\$130	13.7	\$1,781
P. Zablocki	n/a	\$130	13.5	\$1,755
S. Qui	n/a	\$160	10.1	\$1,616
A. Cifra	n/a	\$110	14.4	\$1,584
F. Robinson	n/a	\$110	14.2	\$1,562
D. Reusch	n/a	\$150	10.4	\$1,560
E. Rosenberg	n/a	\$150	10.2	\$1,530
R. Davis	n/a	\$130	11.7	\$1,521
S. Dague	n/a	\$130	11.5	\$1,495
L. Lavert	n/a	\$130	10.5	\$1,365

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE⁴</u>	<u>HOURS</u>	<u>AMOUNT</u>
J. Marino	n/a	\$110	12.0	\$1,320
P. Vakharia	n/a	\$93	14.1	\$1,311
I. Thrasher	n/a	\$80	16.1	\$1,288
J. Moroz	n/a	\$195	6.2	\$1,209
J. Roman	n/a	\$80	14.9	\$1,192
S. Korchinski	n/a	\$195	5.8	\$1,131
P. Langland-Hassan	n/a	\$130	8.7	\$1,131
J. Dibella	n/a	\$70	16.0	\$1,120
L. Alcena	n/a	\$130	8.0	\$1,040
T. Lewis	n/a	\$130	7.9	\$1,027
K. Swiney	n/a	\$130	7.5	\$975
G. Howard	n/a	\$130	7.4	\$962
D. Culhane	n/a	\$130	7.0	\$910
C. Jahn	n/a	\$130	6.8	\$884
J. Buss	n/a	\$80	9.8	\$784
D. Bovshow	n/a	\$130	6.0	\$780
R. Thompson	n/a	\$130	5.5	\$715
K. Black	n/a	\$130	5.4	\$702
O. Ware	n/a	\$110	6.3	\$693
K. Mo	n/a	\$110	6.2	\$682
T. Murphy	n/a	\$130	5.0	\$650
T. Brown	n/a	\$130	5.0	\$650
P. Hanlon	n/a	\$110	5.2	\$572
J. Belmar	n/a	\$80	6.0	\$480
D. Morse	n/a	\$80	5.6	\$448
J. Leung	n/a	\$160	2.8	\$448
W. Terry	n/a	\$160	2.3	\$368
W. Owens	n/a	\$80	4.2	\$336

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>⁴	<u>HOURS</u>	<u>AMOUNT</u>
J. Kim	n/a	\$130	2.0	\$260
S. Steigler	n/a	\$196	0.7	\$137
TOTAL PARAPROFESSIONALS			4,531.7	\$650,600
SUBTOTAL			32,578.1	\$12,028,585
SPECIAL ACCOMMODATION				(\$10,000)⁵
TOTAL			32,578.1	\$12,018,585
BLENDED HOURLY RATE				\$370

⁵ Pursuant to Skadden, Arps' Fifth Interim Fee Application, Skadden, Arps determined by its own accord to reduce the amount of compensation sought for its services in connection with the amount charged to retention/fee matters (SASM&F). This special accommodation is in addition to certain other accommodations made in connection with Skadden, Arps' normal fee review procedures.

COMPENSATION BY PROJECT CATEGORY
SKADDEN, ARPS, SLATE, MEAGHER & FLOM (ILLINOIS)
(DECEMBER 5, 2001 - JUNE 3, 2003)

<u>PROJECT CATEGORY</u>	<u>TOTAL HOURS</u>	<u>TOTAL FEES</u>
Financing	5,025.0	\$1,929,090
Reorganization Plan	3,532.0	\$1,657,219
Litigation (General)	3,616.7	\$1,465,106
Case Administration	4,331.9	\$1,093,310
General Corporate Advice	2,258.9	\$869,157
Tax Matters	1,059.7	\$504,818
Regulatory Matters	1,255.6	\$495,988
Claims Administration and Objections	1,521.5	\$478,699
Disclosure Statement/Voting Issues	1,183.3	\$467,808
Executory Contracts/Personalty	1,205.4	\$430,509
Secured Claims/Mechanics' Liens	934.6	\$359,798
Retention/Fee Matters (SASM&F)	965.6	\$301,699
Retention/Fee Matters (Others)	946.8	\$286,553
Creditor Meetings/Committees	544.5	\$248,765
Business Operations	595.1	\$236,324
Employee Matters	529.8	\$225,781
Nonworking Travel Time	1,032.2	\$219,133
Vendor Matters	484.2	\$178,345
Automatic Stay (Relief Actions)	381.0	\$137,296
Insurance	196.4	\$109,176
Utilities	313.5	\$100,916
Environmental Matters	132.3	\$55,354
Asset Dispositions	123.0	\$45,188
Reports and Schedules	155.3	\$44,029
Consignment/Reclamation	62.0	\$21,343
Leases (Real Property)	61.5	\$17,818

Litigation (Insurance Recovery)	29.4	\$13,050
Affiliate Matters	35.3	\$12,748
United States Trustee Matters	26.8	\$8,902
Foreign Affiliates (non-Debtors)	15.6	\$6,111
Press/Public Affairs	8.8	\$3,264
Real Estate (Owned)	10.4	\$3,233
Asset Analysis and Recovery	4.0	\$2,055
TOTAL	32,578.1	\$12,028,585

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
- - - - - x

**FINAL FEE APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER
& FLOM (ILLINOIS) AND AFFILIATED LAW PRACTICE ENTITIES
FOR FINAL ALLOWANCE OF COMPENSATION AND CHARGES AND
DISBURSEMENTS INCURRED AS COUNSEL TO THE DEBTORS FOR
THE PERIOD OF DECEMBER 5, 2001 THROUGH JUNE 3, 2003**

Skadden, Arps, Slate, Meagher & Flom (Illinois)
and affiliated law practice entities (collectively,
"Skadden, Arps"), counsel for Hayes Lemmerz International,
Inc. ("Hayes"), and certain of its subsidiaries, debtors
and debtors-in-possession in the above-captioned cases
(collectively with Hayes, the "Debtors" or "Reorganized
Debtors," as applicable), submit this final application
(the "Final Application") pursuant to 11 U.S.C. §§ 330 and
331 seeking final allowance of compensation for services
rendered in the amount of \$12,018,585 and reimbursement of
charges and disbursements incurred in the amount of

\$969,138 for the period from December 5, 2001 through June 3, 2003 (the "Application Period").⁶

INTRODUCTION AND SUMMARY OVERVIEW

1. It is difficult to convey succinctly the entirety of the services that Skadden, Arps provided in order to assist the Debtors to effectively restructure their businesses and successfully emerge from Chapter 11 protection. While, the "bottom line" is readily understood -- Hayes, its domestic subsidiaries and one subsidiary in Mexico successfully restructured over \$2 billion in debt and emerged from Chapter 11 in less than eighteen months with the support of all of their major creditor constituent groups -- what may not be apparent is the significant challenges that the Debtors overcame to bring their cases to a successful conclusion. Accordingly, some explanation of the context in which Skadden, Arps' professional services were rendered should assist the Court and interested parties in evaluating this Final Application in a fair and meaningful manner consistent with the requirements of the Bankruptcy Code.

⁶ Capitalized terms not defined herein shall have the meanings set forth in the Modified First Amended Joint Plan of Hayes Lemmerz International, Inc. and Its Affiliated Debtors and Debtors In Possession, Dated April 9, 2003, as Further Modified.

2. From the outset of these Chapter 11 Cases, Hayes and its professionals understood that these cases would be closely monitored by Hayes' major customers, which include many large original equipment manufacturers such as General Motors, Ford (including Volvo), Daimler/Chrysler, BMW, Volkswagon, Nissan and Toyota, among others. Hayes' relationships with these customers is based primarily upon the customers' confidence that Hayes, as a "just in time" supplier who does not maintain inventories of finished products, will deliver quality products in a timely fashion. Absent such confidence, a customer could decline to award Hayes contracts for future business or "re-source" existing contracts to suppliers other than Hayes.

3. Accordingly, it was absolutely essential that Hayes maintain customer confidence during all phases of its Chapter 11 Cases. To prepare its customers for the Chapter 11 process, from the outset of the cases Hayes explained that the Debtors expected to emerge from Chapter 11 protection within 18 months. This effectively established the schedule for the Chapter 11 Cases and meant that it was imperative for the cases to be as free from conflict and as consensual as possible to avoid potential delays that could cause the Debtors to fall behind schedule, which could in turn cause customers to lose confidence in the

Debtors' ability to reorganize. The Chapter 11 Cases, however, were not free of conflict and the road to a successful reorganization was fraught with road-blocks that, but for the extraordinary efforts of the Debtors and their professionals, could have delayed or ended the journey.

4. The first challenge to the Debtors' restructuring efforts emerged even before the Chapter 11 Cases started. The Debtors would require adequate liquidity not only to operate their businesses while in Chapter 11, but also to instill confidence in their customers and suppliers that the Debtors could meet their obligations during the cases. Prior to and after the commencement of the Chapter 11 Cases, Skadden, Arps assisted the Debtors in the difficult task of negotiating a \$200 million DIP credit facility with the DIP Agent, who was also the Prepetition Agent.

5. Skadden, Arps then assisted the Debtors to obtain necessary relief after the commencement of the cases in order to make a "soft landing" in Chapter 11. Key among this relief was a critical vendor program, which allowed the Debtors to assure the uninterrupted flow of materials for its production needs. During the first few months of the cases, Skadden, Arps assisted the Debtors to resolve numerous issues that threatened the Debtors' transition into Chapter 11. Most of these issues were resolved

consensually and without the necessity for Bankruptcy Court intervention.

6. The next challenge facing the Debtors was how to maintain their existing senior management, many of whom had joined the company only months before, and hire additional managers during the cases to fill important open positions. Skadden, Arps was integrally involved in the lengthy and frequently difficult negotiations among the Debtors, the Prepetition Lenders, DIP Lenders and the Creditors' Committee that resulted in the consensual approval of the Critical Employee Retention Program and the assumption of the employment and severance agreements of the Debtors' senior management. These developments sent a positive message to the Debtors' customers regarding the Debtors' commitment to management excellence and helped to assure that the Debtors would have the necessary guidance during their cases.

7. Another major challenge to face the Debtors was how to manage the various investigations into the facts and circumstances that led to the restatement of the Debtors' financial statements. Skadden, Arps assisted the Debtors in this regard in three primary ways. First, prior to the commencement of the Chapter 11 Cases, Skadden, Arps was retained by the Debtors' audit committee to assist in

an independent investigation into the restatement. Second, Skadden, Arps assisted Debtors in all facets of the investigation commenced by the SEC. Finally, Skadden, Arps represented the Debtors in connection with the investigation by the Creditors' Committee, including negotiating a joint interest protocol with the Creditors' Committee that avoided costly and potentially deleterious discovery disputes. As a result of these efforts, none of the investigations served to delay the Chapter 11 Cases.

8. Other hurdles that threatened to de-rail these cases were numerous complex litigations and contested matters seeking huge recoveries, often on a secured or administrative priority basis, from the Debtors. For example, early on in these cases, responding to an effort by KIMA Management Limited ("KIMA") to assert a multi-million dollar administrative claim against the Debtors in connection with the rejection of certain contracts between KIMA and the Debtors, Skadden, Arps assisted the Debtors in minimizing the potential exposure, but only after substantial formal discovery and a contested hearing on the matter. Similarly, Skadden, Arps assisted the Debtors in developing and implementing an ongoing and, thus far, successful strategy to protect certain valuable intellectual property rights in the face of a complex challenge

by Epilogics Group/Kuhl Wheels, LLC ("Kuhl") (which also filed multi-billion dollar proofs of claims against the Debtors) in connection with a license agreement between Kuhl and the Debtors; however, this effort has required substantial formal discovery and contested hearings in this Court and subsequent patent litigation in federal court in Michigan. And Skadden, Arps has assisted the Debtors (and continue to do so) in defending litigation arising from an alleged \$20 million administrative claim by their partner in a Mexican joint venture which involves difficult legal and factual issues related to several complex agreements between the parties, two of which are governed by Mexican law. In these and many other instances, Skadden, Arps' successful efforts in defending and prosecuting high stakes litigations and contested matters on behalf of the Debtors have helped to preserve and maximize the value of the estates for the benefit of all creditors in these cases and to enable the Debtors to exit chapter 11 in a timely manner.

9. Perhaps the greatest single challenge facing the Debtors related to its attempts to broker a consensual plan of reorganization despite the potential avoidance actions the Creditors' Committee identified with respect to the Prepetition Lenders' security interests. Absent active

and aggressive mediation by the Debtors, the Debtors' cases likely would have been indefinitely delayed by prolonged litigation among the Creditors' Committee and the Prepetition Lenders. On behalf of the Debtors, Skadden, Arps took a lead role in the negotiations with the Creditors' Committee, the Prepetition Lenders and, eventually, Apollo Management V, L.P. ("Apollo"), which involved almost daily efforts during an extended portion of the Debtors' cases. The settlement that was forged from such negotiations formed the basis of the Plan (as defined herein) and allowed the Debtors to stay on their announced schedule.

10. Despite negotiating a global settlement and a consensual plan of reorganization, the Debtors still had to deal with unexpected obstacles to their timely reorganization, including primarily the issues raised by the Ad Hoc Prepetition Lender Steering Committee. The manner in which such issues were raised and the time at which they were raised could have severely threatened the Debtors' restructuring, if not for the incredible efforts of the Debtors, their professionals and the Court. The efforts expended by such parties during March, April and May of this year, while customer interest was keenly focused on the Debtors' cases, undoubtedly saved the Debtors from a fate other than a successful stand-alone plan of reorganization.

11. In addition to the challenges presented by various parties in interest in the Chapter 11 Cases, the Debtors also faced the challenge of attempting to raise \$800 million in exit financing from the relatively stagnant capital marketplace. Skadden, Arps assisted the Debtors in soliciting interest from prospective lenders, negotiating term sheets and commitments for financing, structuring such financing and ultimately choosing among the various proposals. The Debtors' efforts to obtain financing were made more difficult because a substantial portion of Hayes' assets are located outside of the United States. Ultimately, Skadden, Arps assisted the Debtors to obtain and consummate a \$550 million asset based senior secured credit facility, which includes a significant European component, and to issue \$250 million aggregate principal amount of senior unsecured notes in a Rule 144A/Regulation S private placement, a feat rarely accomplished by emerging reorganized debtors in the current economic climate.

12. Finally, even after confirmation of the Plan and resolution of issues regarding exit financing, certain provisions of the Plan itself also presented significant challenges, particularly those relating to the realignment of substantially all of Hayes domestic operations, and a complex foreign restructuring intended to facilitate inter-

company financing to Hayes European operations. Subsequent to the confirmation of the Plan, Skadden, Arps assisted the Debtors on an almost around the clock basis to negotiate, draft, review and effectuate the hundreds of transaction documents required to consummate all of the various corporate transactions required in the United States and around the world. The Debtors, aided by Skadden, Arps, accomplished these transactions, many of which were prerequisites to the consummation of the Plan, in an extraordinary short period of time after confirmation of the Plan.

13. Ultimately, despite the numerous challenges that confronted the Debtors during these cases, both expected and unexpected, the Debtors, with the assistance of Skadden, Arps and their other professionals, were able to manage the process and customer expectations in order to allow the Debtors to restructure their businesses, maintain their customer support and successfully emerge from Chapter 11 within their projected timeframe.

BACKGROUND

14. 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

thereafter operated their businesses and managed their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

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

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

17. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code.

18. On May 12, 2003, this Court entered its Findings of Fact, Conclusions of Law, and Order Under 11 U.S.C. §§ 1129(a) and (b) and Fed. R. Bankr. P. 3020 (as revised on May 14, 2003, the "Confirmation Order"), whereby it confirmed the Modified First Amended Joint Plan of Reorganization of Hayes Lemmerz International, Inc. and Its Affiliated Debtors and Debtors in Possession, dated April 9, 2003, as Further Modified (the "Plan"). The various transactions contemplated pursuant to the Plan were sub-

stantially consummated and the Plan became effective on June 3, 2003 (the "Effective Date"). Between the Petition Date and the Effective Date, the Debtors remained as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

RELIEF REQUESTED

19. By this Final Application, Skadden, Arps requests (a) final allowance of reasonable compensation for professional services rendered by Skadden, Arps to the Debtors in the above captioned cases for the Application Period and (b) final allowance of actual and necessary charges and disbursements incurred by Skadden, Arps, counsel to the Debtors, pursuant to sections 330 and 331 of the Bankruptcy Code for the period from December 5, 2001 through June 3, 2003.

BASIS FOR RELIEF

20. Retention of Skadden, Arps. On December 7, 2001, the Debtors applied to the Court for an order authorizing them to retain Skadden, Arps pursuant to an engagement agreement dated October 22, 2001 (the "Engagement Agreement"), which supplemented that certain engagement letter dated July 10, 1996, as their bankruptcy counsel, effective as of the Petition Date, to provide the following professional services:

(a) advise the Debtors with respect to their powers and duties as debtors and debtors-in-possession in the continued management and operation of their businesses and properties;

(b) attend meetings and negotiate with representatives of creditors and other parties in interest and advise and consult on the conduct of the chapter 11 cases, including all of the legal and administrative requirements of operating in chapter 11;

(c) take all necessary action to protect and preserve the Debtors' estates, including the prosecution of actions on their behalf, the defense of any actions commenced against those estates, negotiations concerning all litigation in which the Debtors may be involved and objections to claims filed against the estates;

(d) prepare on behalf of the Debtors all motions, applications, answers, orders, reports, and papers necessary to the administration of the estates;

(e) negotiate and prepare on the Debtors' behalf plan(s) of reorganization, disclosure statement(s), and all related agreements and/or documents and take any necessary action on behalf of the Debtors to obtain confirmation of such plan(s);

(f) advise the Debtors in connection with any sale of assets;

(g) appear before this Court, any appellate courts, and the United States Trustee and protect the interests of the Debtors' estates before such courts and the United States Trustee; and

(h) perform all other necessary legal services and provide all other necessary legal advice to the Debtors in connection with these chapter 11 cases.⁷

⁷ Information concerning the experience and standing at the bar of Skadden, Arps senior attorneys on this engagement is described in the application and related materials filed by Skadden, Arps in support of its retention in these cases (the "Retention Application"), which is incorporated herein by

21. On February 14, 2002, the Court entered an order (the "Retention Order") (Docket No. 373) authorizing the Debtors to employ Skadden, Arps as their counsel effective as of the Petition Date pursuant to the terms of the Engagement Agreement.

FEE PROCEDURES ORDER

22. Entry of Administrative Order. On March 13, 2002, this Court entered an Administrative Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order") (Docket No. 480).

23. The Administrative Order established procedures for, among other purposes, monthly applications for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during a given month (as defined in the Administrative Order, a "Monthly Fee Application"). Pursuant to the terms of the Administrative Order, if no objection to a Monthly Fee Application was filed within twenty (20) days of the date of filing of that application, then the Debtors were authorized to pay the applicable professional an amount equal to

⁷ (...continued)
reference.

the lesser of (i) eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Monthly Fee Application (the "Maximum Payment") or (ii) 80% of the fees and 100% of the expenses set forth in the applicable Monthly Fee Application not subject to any objection.

24. The Administrative Order also established procedures for quarterly applications for interim allowance of the total amounts sought in the Monthly Fee Applications (including any holdback) during the quarterly period (as defined in the Administrative Order, an "Interim Fee Application").

PLAN PROVISIONS REGARDING PROFESSIONAL CLAIMS

25. Section 9.2 of the Plan contains provisions regarding the payment of Professional Claims. Section 9.2(a) provides that "[a]ll final requests for payment of Professional Claims must be filed no later than sixty (60) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court, the allowed amounts of such Professional Claims shall be determined by the Bankruptcy Court."

26. Section 9.2(b) of the Plan provides that:

Subject to the Holdback Amount, as soon as practicable after the Effective Date, the Debtors or Reorganized Debtors shall pay all amounts owing to Professionals for outstanding amounts relating to prior periods through the Effective Date. In order to receive payment on the Effective Date for unbilled fees and expenses incurred through such date, the Professionals shall estimate fees and expenses due for periods that have not been billed as of the Effective Date and shall deliver such estimate to counsel for the Debtors, the Prepetition Agent, Apollo and the Creditors' Committee. Within fifteen (15) days after the Effective Date, a Professional receiving payment for the estimated period shall submit a detailed invoice covering such period in the manner and providing the detail as set forth in the Professional Fee Order.

Prior to the Effective Date, Skadden, Arps delivered estimates of its fees and expenses in accordance with the Plan, and on the Effective Date Skadden, Arps received \$4,498,585 from the Debtors on account of estimated services and charges and disbursements incurred from March 1, 2003 through June 3, 2003.⁸ The amount received by Skadden, Arps on the Effective Date, was net of the Holdback amounts for such periods, in the aggregate amount of \$1,000,573, which amount was deposited by the Debtors into the Holdback

⁸ The Effective Date payment to Skadden, Arps was in the aggregate amount of \$5,085,086, which included the sum of \$585,501.00 for the 80% of fees and 100% of expenses requested in Skadden, Arps Monthly Fee Application for the period of February 1, 2003 through February 28, 2003.

Escrow Account pursuant to Section 9.2(c) of the Plan.⁹ Thereafter, in accordance with the Plan, Skadden, Arps prepared and submitted to the Reorganized Debtors invoices for actual services rendered and charges and disbursements incurred during such periods. These invoices reflected that Skadden, Arps underestimated its fees and expenses for such periods by \$49,619, which amount is still owing to Skadden, Arps in addition to the amount deposited into the Holdback Escrow Account.

PRIOR FEE APPLICATIONS

27. During the course of these cases, Skadden, Arps filed 15 regular Monthly Applications for the monthly periods up through and including June 3, 2003 and five Interim Fee Applications for the quarterly periods up through and including February 28, 2003 (collectively, the "Prior Fee Applications"). Other than the Monthly Fee Applications for the Months of March, April and May/June, which are pending as of the date hereof, the Court has entered orders approving each of the Prior Fee Applica-

⁹ The Debtors also deposited the amount of \$345,737.80 to the Holdback Escrow Account, which amount was the aggregate Holdback amount for the months of December 2002 and January and February 2003. Subsequent to the Effective Date, the Debtors paid such amount to Skadden, Arps upon subsequent approval by this Court of Skadden, Arps' Fifth Interim Fee Application.

tions, including the payment of the Holdback amounts requested thereby, and the Debtors have paid Skadden, Arps such amounts. Due to the occurrence of the Effective Date and provisions in the Plan regarding final fee applications, Professionals did not file sixth Interim Fee Applications for the period of March 1, 2003, through May 31, 2003 (although Skadden, Arps did file all Monthly Fee Applications for such period). The amount of fees and expenses incurred by Skadden, Arps during the sixth interim period was \$5,212,243 and \$379,410, respectively.

28. Skadden, Arps seeks in this Application an order granting final allowance of (a) compensation for professional services rendered and (b) charges and disbursements made in these cases during the period from December 5, 2001 through and including June 3, 2003 (the "Application Period").

SKADDEN, ARPS' FINAL FEE APPLICATION

29. The fees and charges and disbursements sought for the Application Period reflect a total client accommodation in the amount of \$885,815 written off by Skadden, Arps in the exercise of its professional billing judgment. This represents a voluntary 6.4% reduction in the fees and expenses actually incurred during the Chapter 11 Cases.

30. At this time, Skadden, Arps is seeking final approval and payment, to the extent not already paid, for compensation equal to \$12,018,585 in fees, for professional services rendered by Skadden, Arps during the Application Period as counsel to the Debtors in these chapter 11 cases. This amount is derived solely from application of the hourly billing rates of the Firm's personnel who rendered such services to the Debtors.¹⁰

31. Skadden, Arps also requests final approval and reimbursement, to the extent not already paid, of the actual and necessary out-of-pocket disbursements made and charges incurred by Skadden, Arps during the Application Period as counsel to the Debtors in these chapter 11 cases, in the amount of \$969,138.

32. Skadden, Arps has received no promise of payment for professional services rendered or to be rendered in these cases other than in accordance with the provisions of the Bankruptcy Code.

¹⁰ Pursuant to the Court's request previous request, detailed time descriptions for Skadden, Arps attorneys who billed time during the Application Period are not attached to this Final Application. Detailed time descriptions were attached to each of the Monthly Fee Applications filed by Skadden, Arps with the Court and are available from Skadden, Arps upon request.

33. Describing every phone call made, meeting attended, document generated, or other service provided in the Debtors' cases during the Application Period is not practical. Thus, this Application highlights the most significant services performed by Skadden, Arps for the Debtors during the Application Period, and the detailed time records and charges and disbursements incurred have been attached in the Prior Fee Applications.

34. Skadden, Arps submits that the legal services and advice that it rendered to the Debtors in connection with the Chapter 11 Cases during the Application Period were necessary and beneficial to the Debtors, their creditors, and their estates. During the Application Period, attorneys and paraprofessionals of Skadden, Arps devoted a total of 32,578.1 hours representing the Debtors in the Chapter 11 Cases. Of the aggregate time expended, 5,048.5 hours were spent by partners, 1,295.8 hours by counsel, 21,442.6 hours by associates, 79.8 hours by foreign interns, 179.7 hours by summer associates, and 4,531.7 hours by paraprofessionals. Schedules showing the name and position of each such partner, counsel, associate, foreign intern, summer associate, and paraprofessional, together with that person's first date of admission to the bar (if applicable), hours worked during the Application Period,

and hourly billing rate are provided at the front of this Application.

Description of Services Rendered

35. The following descriptions of Skadden, Arps' services are summaries of the matters that occupied substantial amounts of attorney time during the Application Period. Detailed descriptions of the specific services provided by each Skadden, Arps attorney during these cases are attached as exhibits to the various monthly fee applications filed by Skadden, Arps during these cases.

Matters over \$1,000,000

36. During the Application Period, Skadden, Arps' professionals devoted significant time to key matters, of which the time value of each exceeds \$1,000,000. These matters are as follows:

**A. Financing
(Amount Sought: \$1,929,090)**

37. Skadden, Arps dedicated a significant amount of time during the Application Period to assisting the Debtors in their efforts to procure postpetition debtor-in-possession financing and exit financing. At the commencement of these cases, Skadden, Arps worked with the Debtors' senior management and certain of the Debtors' prepetition lenders to structure and negotiate a financing arrangement

involving postpetition financing and the use of cash collateral to fund the Chapter 11 Cases and ongoing operations.

38. Before commencement of the Debtors' cases, Skadden, Arps negotiated the terms of a debtor-in-possession financing facility (the "DIP Facility") that was approved by final order of this Court on January 28, 2002. Pursuant to the DIP Facility, the Debtors, through the assistance of Skadden, Arps and the Debtors' other professionals, obtained secured financing to help fund these cases in a principal amount not to exceed \$200 million.

39. In connection with the negotiations of the DIP Facility, Skadden, Arps advised the Debtors of the ramifications of the DIP Facility with respect to various issues concerning the Uniform Commercial Code, intellectual property, letters of credit, environmental concerns, public reporting requirements, employee benefits, and the Debtors' cash management systems.

40. Following approval of the DIP Facility, Skadden, Arps continued to advise the Debtors with respect to their day-to-day compliance obligations under the DIP Facility. In addition, Skadden, Arps assisted the Debtors with amending the DIP Facility concerning the Debtors' borrowing base thereunder and in obtaining an amendment to

the cash management order entered earlier in these cases. Skadden, Arps also assisted the Debtors in modifying their cash management arrangements with Comerica Bank and Canadian Imperial Bank of Commerce.

41. During the course of the Chapter 11 Cases, Skadden, Arps assisted the Debtors in resolving an inconsistent provision in the postpetition credit facility with respect to adequate protection payments and continued to advise the Debtors on issues relating thereto. Separately, Skadden, Arps' professionals also reviewed and addressed various issues arising in connection with the Link Engineering security agreement and the Debtors' post-petition European reorganization.

42. During the Application Period, Skadden, Arps' professionals assisted the Debtors to procure exit financing for the Reorganized Debtors, which ultimately included a \$550 million senior secured credit facility provided by a syndicate of banks led by Citicorp North America and Lehman Commercial Paper and \$250 million aggregate principal amount of 10.5% senior unsecured notes due 2010 issued on the Effective Date by the Reorganized Debtors pursuant to a Rule 144A/Regulation S private placement with Citigroup Global Markets and Lehman Brothers as joint book-running managers and initial purchasers. Skadden,

Arps assisted the Debtors and the Debtors' financial advisors in all aspects of the exit financing process, beginning with making initial contacts with and soliciting interest from potential lenders and culminating with assisting in the closing of the senior secured credit facility and senior unsecured notes.

43. Skadden, Arps assisted the Debtors in negotiating and finalizing the terms of such exit financing, not only with the providers of such financing, but also with the Prepetition/DIP Lenders, the Committee and Apollo. Skadden, Arps assisted the Debtors in analyzing and negotiating a multitude of issues, including, among others, various tax implications, foreign intellectual property, proposed corporate structures, intercompany loan transactions, collateral, property ownership, risk factors, pro forma financial statements, affiliate transactions, synthetic lease restructuring, working capital, the Debtors' intercompany notes, adequate assurance payments, change-in-control covenants, and the provision of credit and collateral support by the Debtors' subsidiaries, including, without limitation, complex security and guaranty arrangements in numerous foreign jurisdictions.

44. Skadden, Arps also helped to draft, review, revise, and finalize the Rule 144A offering memorandum and

indenture with respect to the senior unsecured notes, the credit agreement, pledge and security agreement with respect to the senior secured credit facility, as well as numerous other related documents.

45. Toward the end of the Application Period, Skadden, Arps devoted significant time to the process of closing and consummating the senior secured credit facility and senior unsecured notes, which closings ultimately occurred on the last day of the Application Period. The closing process involved, among other things, negotiations to resolve numerous last minute issues, preparing and coordinating the delivery and execution of the numerous involved documents, including many documents related to the European aspects of the exit financing, which necessarily involved coordination with the Debtors' and lenders' foreign counsel.

46. In connection with the foregoing services, Skadden, Arps' professionals devoted a total of 5,025 hours for \$1,929,090. An itemized breakdown of services rendered for the Application Period was submitted with the Prior Fee Applications.

**B. Reorganization Plan
(Amount Sought: \$1,657,219)**

47. During the Application Period, Skadden, Arps assisted the Debtors in developing their Joint Plan of Reorganization of Hayes Lemmerz International, Inc. and its Affiliated Debtors and Debtors in Possession (the "Initial Plan"), which was filed on December 16, 2002. In connection with the filing of the Initial Plan, Skadden, Arps assisted the Debtors and their financial advisors in analyzing issues regarding the treatment of secured and unsecured claims, distribution of certain bond proceeds retained by the Debtors, treatment of certain secured claims pursuant to synthetic leases, contractual and structural subordination issues, potential lien avoidance challenges and the implications of the same to valuation issues, the creation of a creditor trust, and various tax considerations in the Initial Plan. Skadden, Arps attorneys participated in numerous plan of reorganization strategy sessions with the Debtors' senior management and advisors. At these strategy sessions, Skadden, Arps advised the Debtors with respect to the legal requirements of a plan of reorganization under the Bankruptcy Code, as well as the legal ramifications of various proposed plan structures. Skadden, Arps' professionals also assisted in negotiating

the Initial Plan with the Committee, the Prepetition/DIP Lenders, and Apollo, which owned a significant amount of the Debtors' unsecured senior notes, and attempted to reach consensual resolutions with respect to all parties.

48. After filing the Initial Plan, Skadden, Arps continued to work on numerous issues with respect thereto and, on February 20, 2003, filed the proposed First Amended Joint Plan of Reorganization of Hayes Lemmerz International, Inc. and Its Affiliated Debtors and Debtors in Possession (the "First Amended Plan"), which amended and superseded the Initial Plan. In connection therewith, Skadden, Arps continued to assist the Debtors and their financial advisors in analyzing issues regarding, among others, the treatment of claims, potential lien avoidance challenges and the implications of the same to the ultimate amount of allowed secured claims, valuation issues, and various tax considerations in the First Amended Plan.

49. Skadden, Arps attorneys were integrally involved in and managed negotiations among the Debtors' senior management and other retained professionals, the Committee, the Prepetition/DIP Lenders, and Apollo with respect to the First Amended Plan. Skadden, Arps, on behalf of the Debtors, conducted extensive negotiations with the parties in order to resolve disputes regarding the

First Amended Plan and to build consensus among the Debtors' primary constituencies regarding amendments thereto. These efforts allowed the constituencies represented by the Prepetition Agent, the Committee, and Apollo to have substantial input in the development of a plan of reorganization in the Chapter 11 Cases and resulted in an agreement among the Debtors and their various creditor constituencies.

50. Ultimately, on February 20, 2003, the Court entered an order approving the adequacy of the Debtors' disclosure statement with respect to the First Amended Plan and procedures for soliciting votes thereon. Thereafter, Skadden, Arps assisted the Debtors in all aspects of the process of soliciting votes on the First Amended Plan. Skadden, Arps finalized the forms of the solicitation package materials and, along with the Debtors' voting agent, Bankruptcy Services, LLC ("BSI"), and the Debtors' other advisors, coordinated the mailing of the solicitation materials, including the Court's solicitation procedures order, ballots, notices regarding voting status, and the First Amended Plan and disclosure statement with respect thereto to the Debtors' creditors and equity interest holders.

51. Skadden, Arps' professionals also assisted the Debtors and the Debtors' other professionals in analyzing issues and preparing and filing numerous exhibits to the First Amended Plan, including articles of incorporation and bylaws for the reorganized Debtors, a trust agreement with respect to the creditor trust to be created under the First Amended Plan, warrant agreements, fresh start pro forma financial projections, lists of rejected contracts, retained and transferred legal causes of action, forms of amended and restated synthetic leases and the terms of a long-term incentive plan for management of the Reorganized Debtors. Skadden, Arps assisted the Debtors and the Debtors' financial advisors in analyzing and resolving issues regarding, among others, a potential new holding company structure for the Reorganized Debtors, the composition of the board of directors of the Reorganized Debtors and requirements under the Sarbanes-Oxley Act and for listing the new equity of the reorganized Debtors on an exchange.

52. As a result of concerns raised by certain of the Debtors' Prepetition Lenders (Foothill Capital Corporation, General Electric Capital Corporation, Citadel Limited Partnership, R2 Top Hat Ltd., and others (collectively, the "Dissident Group")), Skadden, Arps assisted the Debtors in filing their proposed Modified First Amended Joint Plan of

Reorganization of Hayes Lemmerz International, Inc. and Its Affiliated Debtors and Debtors in Possession, dated April 9, 2003, as Further Modified (the "Plan"). In connection therewith, Skadden, Arps assisted the Debtors and their financial advisors in analyzing issues presented by the Dissident Group regarding the treatment of their claims, selection of the board of directors, claims retained by the Company and contributed to the creditor trust created under the Plan (the "HLI Creditor Trust"), valuation issues, synthetic lease restructurings (including the effects of subordination in related indentures), and various tax considerations in the Plan. Skadden, Arps attorneys were integrally involved in and managed negotiations among the Debtors' senior management and other retained professionals, the Dissident Group, Apollo, the Prepetition/DIP Lenders, and the Committee in order to build consensus among the Debtors' primary constituencies with respect to potential modifications to the First Amended Plan.

Skadden, Arps attorneys participated with the Debtors in multiple in-person and telephonic meetings with representatives of the Dissident Group, Apollo, the Committee and other creditor groups. These efforts allowed all parties to have substantial input in the development of the modifications to the First Amended Plan and resulted in an agree-

ment among the Debtors, the Dissident Group, Apollo, and the Committee on a consensual modifications to the First Amended Plan that resulted in the Plan. Ultimately, on April 10, 2003, this Court entered an order approving a Disclosure Supplement and the Debtors' supplemental solicitation procedures. A discussion of Skadden, Arps services in preparation of the Disclosure Supplement is set forth in the section below regarding the matter entitled "Disclosure Statement".

53. During the Application Period, Skadden, Arps also devoted substantial time to preparing for the hearings on confirmation of the Plan. Skadden, Arps prepared numerous Court filings and appropriate affidavit or declaration testimony with respect to the Plan, drafted and revised the proposed confirmation order, prepared numerous exhibits to the Plan, and ensured that the Court, the Committee, Apollo, the Dissident Group, the Prepetition/DIP Lenders, and other relevant parties in interest were provided with appropriate information with respect to the Plan. Skadden, Arps devoted significant time to reviewing the various objections to the Plan, responding to such objections, and/or modifying the Plan in response thereto. These efforts allowed the Debtors and their professionals to focus on Plan confirmation and implementation issues and

saved the Debtors' estates from the costs that would have been incurred had all these objections been litigated. Skadden, Arps drafted and filed a brief in support of the Debtors' confirmation.

54. Skadden Arps' professionals continued to monitor the voting status and communicate with the Debtors and the Debtors' other advisors regarding the voting results, both in connection with voting on the First Amended Plan and in conjunction with the mailing of the supplemental solicitation packages and ballots with respect to the Plan. During the entirety of the solicitation process, Skadden, Arps assisted the Debtors in discussing various Plan provisions with interested parties.

55. On May 7, 2003, the Court began the hearing to consider the confirmation of the Plan. At such hearing, Skadden, Arps assisted the Debtors in presenting their case for confirmation of the Plan, including, among other things, presenting evidence and oral arguments, responding to objections, and questioning witnesses. The confirmation hearing was adjourned until May 12, 2003. During the period between hearings, Skadden, Arps, on behalf of the Debtors, conducted extensive negotiations with the Dissident Group, Apollo, and the Committee in order to finalize various remaining issues. Ultimately, at a hearing on May

12, 2003, the Court confirmed the Plan and entered the Confirmation Order, which was subsequently revised by order entered on May 14, 2003.

56. Skadden, Arps assisted the Debtors with the numerous tasks necessary to consummate the Plan to become effective during the post-confirmation, pre-effective time period. These tasks included, among other things, working with the Debtors' to implement the new corporate structure approved pursuant to the Plan and assisting the Debtors to issue the new securities required by the Plan and coordinating with the various parties receiving distributions to ensure that the funds were distributed in connection with the Plan's provisions. Skadden, Arps also devoted considerable time to assisting the Debtors in finalizing and consummating the Debtors' synthetic leases with the various lessors, including the Bank of Montreal, CBL Capital Corporation, and Dresdner Kleinwort Benson North American Leasing, Inc.

57. In connection with the foregoing services, Skadden, Arps' professionals devoted a total of 3,532 hours for \$1,657,219. An itemized breakdown of services rendered

for the Application Period was submitted with the Prior Fee Applications.

C. Litigation (General)
(Amount Sought: \$1,465,106)

58. During the Application Period, Skadden, Arps assisted the Debtors in reviewing and analyzing the issues involved in numerous litigations in which the Debtors are parties or the Debtors' interests are affected, including, but not limited to, the class action securities litigation commenced by certain alleged purchasers of the Debtors' stock and bonds against certain former officers and directors of the Debtors and the Debtors' auditors, litigation commenced by the Kuhl, litigation commenced by Hayes Wheels de Mexico, S.A. de C.V. ("HWM"), Hayes Wheels Aluminio, S.A. de C.V. ("HWA"), and DESC Automotriz, S.A. de C.V. ("DESC" and together with HWM and HWA, the "HWM Entities"), and contested matters commenced by James Overbeck ("Overbeck"), Douglas Switzer ("Switzer"), Lynn Martin ("Martin") and the Vuittonets.

59. Skadden, Arps assisted the Debtors in reviewing, analyzing, and developing strategies with respect to the complex litigation commenced by Kuhl in connection with a license agreement between Kuhl and the Debtors. In connection with the Kuhl litigation and Kuhl's motion for

relief from the automatic stay, Skadden, Arps assisted the Debtors in preparing for a litigated hearing by propounding and responding to written discovery requests, taking and defending depositions, reviewing and producing documents to Kuhl, and drafting a brief in opposition to Kuhl's motion. Skadden, Arps also reviewed and analyzed discovery materials produced by Kuhl and reviewed issues related to Kuhl's request for relief from the automatic stay. In connection with the Kuhl litigation and Kuhl's motion for relief from the automatic stay, Skadden, Arps assisted the Debtors in drafting and filing a complaint for declaratory judgment and injunctive relief, drafting a confidentiality stipulation and initial disclosures in connection therewith, and drafting a response in relation to Kuhl's motion to dismiss the complaint. Skadden, Arps also drafted and filed an objection to Kuhl's proofs of claim and assisted the Debtors in analyzing related issues and reviewing Kuhl's response to such objection.

60. Skadden, Arps assisted the Debtors in connection with the litigation initiated by the HWM Entities involving the HWM Entities' objection to the Debtors' Plan (the "HWM Objection") and notice of cure demand and, in the alternative, motion for allowance and payment of administrative claim (the "HWM Motion"). Litigation on the HWM

Motion involves complex legal and factual issues, many of which implicate Mexican law and relate to three separate agreements (a shareholder agreement, marketing agreement, and support services agreement) between or among the parties, two of which are governed by Mexican law. Skadden, Arps' professionals devoted significant time to reviewing and analyzing issues in connection with this litigation involving a contract termination of the Debtors' Mexican joint venture and alleged cure amount. Specifically, Skadden, Arps assisted the Debtors in developing a litigation strategy, researching issues regarding arbitration, drafting a declaratory judgment complaint, drafting a brief for a temporary restraining order and preliminary injunction regarding a threatened shutdown of the Mexican joint venture, drafting a memorandum of law regarding the arbitration provision in the shareholder agreement in response to the HWM Objection, and drafting a motion to reject the Mexican contracts. Skadden, Arps participated in discovery by propounding and responding to document production requests and preparing for depositions. Skadden, Arps also assisted the Debtors in attempting to reach a consensual resolution, while also preparing for litigated hearings on various matters.

61. Skadden, Arps assisted the Debtors in contested matters commenced by three former employees (Overbeck, Switzer, and Martin) seeking to obtain possession of certain assets in connection with a deferred compensation program of the Debtors in which two of them, and the spouse of the third, are participants. Skadden, Arps assisted the Debtors in preparing for a litigated hearing by engaging in formal discovery, including reviewing and producing documents and completing interrogatories in the Switzer and Martin actions. Skadden, Arps reviewed and analyzed the various pleadings filed by such parties, as well as the relevant agreements and documents implicated by such litigation, prepared responses on the Debtors' behalf and advised the Committee regarding the same. Skadden, Arps reviewed and analyzed settlement demands from Switzer, Martin and Overbeck and advised the Debtors regarding such demands, and Skadden, Arps discussed such settlements with the Committee. Such actions were settled by the Debtors during the Chapter 11 Cases and are provided for in the Plan.

62. Skadden, Arps also assisted the Debtors in analyzing issues related to the class action securities litigation commenced by certain alleged purchasers of the Debtors' stock and bonds against certain former officers

and directors of the Debtors and the Debtors' auditors. Skadden, Arps worked with the Committee in formulating, drafting, and filing a joint response to the securities plaintiffs' motion to lift the automatic stay and motion for a Rule 2004 examination and prepared for a litigated hearing in response thereto. Skadden, Arps reviewed plaintiffs' motion to strike the Debtors and Committee's joint brief opposing plaintiffs' attempt to lift the discovery stay in such litigation and drafting and assisted in preparing a response thereto.

63. Skadden, Arps assisted the Debtors in reviewing, analyzing, and developing strategies with respect to the Vuittonets' motion to lift the automatic stay. In connection therewith, Skadden, Arps assisted the Debtors in participating in informal discovery with the Vuittonets, which resulted in a consensual resolution.

64. During the Application Period, Skadden, Arps' professionals also investigated the underlying facts of potential litigation involving former affiliates, potential preference action litigation, and pending and stayed prepetition litigation. Additionally, Skadden, Arps reviewed and analyzed prepetition personal injury litigation and the impact of such litigation on the Debtors' Plan.

65. In connection with the foregoing services, Skadden, Arps' professionals devoted a total of 3,616.7 hours for \$1,465,106. An itemized breakdown of services rendered for the Application Period was submitted with the Prior Fee Applications.

**D. Case Administration
(Amount Sought: \$1,093,310)**

66. Skadden, Arps devoted substantial resources to assisting in the administration of the Chapter 11 Cases during the Application Period. Work performed under this category generally can be grouped as follows: (a) advice with respect to the successful commencement of the Chapter 11 Cases, (b) advice with respect to the rights and duties of debtors-in-possession in the administration of the Chapter 11 Cases, (c) preparation for, and attendance at, court hearings, (d) general communications with creditors and other parties in interest, and (e) general case administration.

67. Part of the strategy developed by the Debtors' management for the cases was to proceed and seek to exit chapter 11 as quickly as possible to preserve the valuable core assets of the estates. Skadden, Arps worked to assist the Debtors in meeting this objective.

68. To that end, in the beginning of the Application Period, Skadden, Arps prepared for the first day hearing and successfully obtained relief that allowed the Debtors to continue normal business operations on a postpetition basis. Such relief included, among other things, authorization to obtain postpetition financing, maintain existing cash management systems, pay accrued prepetition wages and continue employee benefits for the Debtors' employees, implement a critical trade vendor program, satisfy mechanics and artisans liens, honor prepetition obligations to customers, pay shipping charges, continue utility service, enter into insurance premium financing agreements, and retain various professionals.

69. Skadden, Arps also performed services to assist the Debtors in implementing the first-day relief and communicating with other constituents, including their employees, vendors, customers, and subsidiaries regarding the first-day orders. These services assisted the Debtors in achieving a smooth transition into chapter 11.

70. On an almost daily basis, Skadden, Arps advised the Debtors' management with respect to specific business questions posed by management and by events occurring in the Chapter 11 Cases. Part of Skadden, Arps' advice in this regard involved the participation of

Skadden, Arps' attorneys in weekly planning and strategy conferences with the Debtors' senior management team and the Debtors' other advisors.

71. To assist the Debtors in continuing to perform their fiduciary duties, Skadden, Arps worked with the Debtors to implement procedures to assist the debtors in operating their businesses in accordance with the legal and administrative requirements of chapter 11 and the administration of their estates. Skadden, Arps reviewed certain of the Debtors' proposed expenditures, contractual relationships, dispositions of property, and other transactions to assist the Debtors in evaluating whether the contemplated transactions were within the ordinary course of business.

72. Each material proposed transaction referred by the Debtors to Skadden, Arps required Skadden, Arps to discuss the relevant underlying facts with the appropriate representative of the Debtors. If Skadden, Arps concluded that Court approval was required or prudent for a specific transaction, it prepared the necessary pleadings, applications, or other documents for filing with the Court. Such services not only helped ensure that the Debtors continued to operate in accordance with the requirements of the Bankruptcy Code but also educated the Debtors' personnel

concerning the rights and duties of debtors in possession so that the Debtors could carry out day-to-day operations more effectively and efficiently.

73. Throughout the Application Period, Skadden, Arps prepared for, attended, and represented the Debtors on all matters presented to the Court at omnibus hearings and other hearings, which typically involved multiple complex issues. Moreover, prior to each hearing, Skadden, Arps attorneys drafted and filed hearing agendas detailing the matters to be heard during that Court hearing.

74. Skadden, Arps also devoted considerable time to meetings, conferences, and communications with creditors and representative of parties in interest with respect to case administration including, among other things, periodic updates as to the progress and direction of the cases. From the outset of these cases, the Debtors worked closely and cooperatively with the Committee and the Prepetition/DIP Lenders on all aspects of the cases, which the Debtors believe resulted in substantial cost savings in the administration of these cases.

75. Skadden, Arps consulted with the Debtors' management and employees and assisted the Debtors in responding to inquiries from individual vendors, creditors, and their attorneys regarding these matters.