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Hearing Date: October 30, 1998  
Time: 9:30 a.m.

Attorneys for Official Committee  
of Unsecured Creditors

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re : Chapter 11  
: :  
HOME HOLDINGS INC., : Case No. 98 B 40319 (JHG)  
: :  
Debtor. :  
-----X

**APPLICATION OF AD HOC COMMITTEE OF  
SENIOR NOTEHOLDERS OF HOME HOLDINGS INC.  
PURSUANT TO SECTION 503(b) OF THE BANKRUPTCY CODE,  
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TO: THE HONORABLE JEFFRY H. GALLET,  
UNITED STATES BANKRUPTCY JUDGE:

CS First Boston, Lehman Brothers Inc., Conseco Capital Management, Contrarian Capital Management, LLC, Cerberus Partners, BEA Associates and Alliance Capital Management LP, in their capacity as members of an ad-hoc committee of holders of Home Holdings Inc.'s ("Debtor") 7% Senior Notes, 7/8% Senior Notes and 7/8% Senior Sinking Fund Notes (the "Senior Noteholders Committee"), through their attorneys, Anderson Kill & Olick, P.C. ("Anderson Kill")<sup>1</sup>, as and for its Application pursuant to

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1. Anderson Kill was also retained by and served as counsel to the Official Committee of Unsecured Creditors of Home Holdings, Inc. (the "Official Committee"). CS First Boston, Contrarian Capital Management, LLC and Cerberus Partners were also appointed to and served as members of the Official Committee.

Section 503(b) of the Bankruptcy Code (the "Code") for an Allowance of Compensation and Reimbursement of Expenses for the Period of March 19, 1997 through January 15, 1998 (the "Application Period") in the amount of \$1,700,000, respectfully represent as follows:

**I. PRELIMINARY STATEMENT**

1. On January 15, 1998 (the "Petition Date"), the Debtor filed a petition for reorganization relief under Chapter 11 of the Code, its "pre-arranged" Plan of Reorganization (the "Plan") and a related Disclosure Statement. The Debtor's Plan, as amended, was confirmed by this Court on June 9, 1998 and became effective on July 29, 1998.

2. As this Court is aware, the Debtor's Plan was a consensual plan that the Debtor and its major constituencies had negotiated over a period of months prior to the Petition Date. As described in the Debtor's Disclosure Statement, it was the work of the Senior Noteholders' Committee, through its legal and financial advisors, that initiated these negotiations and led to the development, structure and terms of the Debtor's Plan. Recognizing that the work performed by the Senior Noteholders' Committee's professionals benefitted the Debtor's estate and all of its creditors and interest holders, Zurich Insurance Company ("Zurich"), as the entity that was responsible for funding the Debtor's Plan, agreed that as part of this restructuring it would reimburse such Committee for its professional fees up to a cap of

\$2.2 million.<sup>2</sup> It was further agreed that because this expense was rightfully one that should be borne by the Debtor (and because Zurich or its affiliate would, pursuant to the Plan, become the sole shareholder of the Debtor), it should be the Debtor (with Zurich providing the necessary funding) that should actually pay for such fees.

3. As a result of the foregoing, as described in the Disclosure Statement, the parties ultimately agreed that the Senior Noteholders' Committee would file an application pursuant to §503(b) of the Code for reimbursement of such fees. It was also agreed that if such application was not granted, Zurich would directly reimburse the Senior Noteholders' Committee for such fees.

4. Alternatively, if the present application were to be granted, payment of such fees would be made by the reorganized Debtor. Prior to the effective date of the Plan, The Home Insurance Co. (the "Home") paid a dividend to the Debtor sufficient to cover payment of these fees, and other administrative expenses of the Debtor. However, it is our understanding that pursuant to an agreement reached between the Home and Zurich, the Aggregate Excess of Loss Reinsurance Agreement (the "XOL") between the Home and a Zurich affiliate would be amended to effectively provide that Zurich would

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2. In order to provide additional capital to be used to finance the settlement that all the parties reached with AmBase, the Senior Noteholders' Committee subsequently agreed to reduce this cap to \$1.7 million.

reimburse the Home for the payment of its earlier dividend.<sup>3</sup> Thus, even if the present application is granted, Zurich would be the party that is ultimately funding the payment of the Senior Noteholders' Committee's fees.

5. In addition to being an integral part of the overall agreement that was reached amongst all of the Debtor's constituencies, the present application complies with the law and should be granted pursuant to §503(b) of the Code.

6. Shortly after its formation, the Senior Noteholders' Committee engaged Anderson Kill as its independent counsel and Houlihan Lokey Howard & Zukin, Inc. ("Houlihan Lokey") as financial advisor. In addition, the Senior Noteholders' Committee retained Altheimer & Gray as special insurance regulatory counsel. Through the work of its professionals, the Senior Noteholders' Committee then attempted to formulate and effectuate a restructuring of the Debtor that would assure that there would be a meaningful recovery to all of the Debtor's Senior Noteholders. In that regard, the Senior Noteholders' Committee's professionals worked with the Debtor, the New Hampshire Insurance Department, Zurich and Trygg-Hansa AB, as the majority shareholder of the Debtor, in structuring and drafting a consensual plan of reorganization and the terms of the securities that would be issued thereunder. With almost no exception, the work performed by these professionals inured to the benefit of all creditors and made the distributions received

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3. We also understand that this Agreement between the Home and Zurich was approved by the New Hampshire Insurance Department.

by all creditors possible. (This work is more specifically detailed in Section III, infra.)

7. As a result of this work, the Senior Noteholders' Committee incurred the following fees and expenses during the Application Period:

- Approximately \$780,608.25 in fees for legal services rendered by Anderson Kill and approximately \$77,796.17 for Anderson Kill's related out-of-pocket expenses, of which approximately \$700,000 has been paid;
- Approximately \$1,221,226.52 in fees and expenses for the financial advisory services rendered by Houlihan Lokey, of which approximately \$300,000 has been paid; and
- Approximately \$157,691.00 in legal fees and related expenses in connection with the services rendered by Altheimer & Gray, of which approximately \$125,000 has been paid.

Thus, the total professional fees and expenses incurred by the Senior Noteholders Committee during the Application Period is approximately \$2,237,321.94, of which \$1,125,000 has been paid. Due to the preexisting agreement between the Senior Noteholders Committee and the other parties, the present application does not seek reimbursement of all of such fees and expenses, but instead seeks reimbursement in the amount of \$1,700,000.

## II. INTRODUCTION

### A. Representation of the Senior Noteholders' Committee

1. This application is made by the Senior Noteholders' Committee pursuant to Section 503(b)(3)(D) and Section 503(b)(4) of the Code.

2. Section 503(b)(3) permits the allowance and payment, as an administrative expense, of actual and necessary expenses incurred by the types of creditors and other entities specified in subsections (A) through (D) thereunder.

3. Among the administrative expenses allowed by Code Section 503(b) is the "reasonable compensation for professional services rendered by an attorney or an accountant of an entity [including a creditor] whose expense is allowable under paragraph (3) of this subsection." 11 U.S.C. § 503(b)(4).

4. For the expenses of a creditor and its counsel to be allowable as administrative expenses, Section 503(b)(3)(D) requires a showing that such expenses have been incurred in "making a substantial contribution" to the reorganization process.

5. This application seeks allowance of \$1,700,000 of the professional fees and expenses incurred by the Senior Noteholders' Committee in making a substantial contribution to the Debtor's successful reorganization process.

6. The work of the Senior Noteholders' Committee's professionals during the Application Period was directly related to the effective carry-forward and expedient administration of this reorganization, because it principally concerned, among

other things, the development of a consensual global restructuring plan, and negotiation and structuring of the terms of the securities to be used in connection with the restructuring.

7. The actual and direct benefits of the work undertaken by these professionals, on behalf of the Senior Noteholders' Committee, is readily apparent. As reflected in the Disclosure Statement, the reorganization "hammered out" between the Senior Noteholders' Committee, the Debtor and the rest of the Debtor's creditor constituencies resulted in the Debtor being able to effectively and timely achieve a successful reorganization.

8. By this Application, the Senior Noteholders' Committee seeks an allowance of compensation and reimbursement of expenses, as an administrative expense, for \$1,700,000 of the fees and expenses it incurred as a result of the services provided by its legal and financial advisors during the Application Period -- a period vital to the successful restructuring of the Debtor. A description of the work performed by these professionals during the Application Period is set forth below in Section III.

**III. PRINCIPAL WORK PERFORMED DURING THE PERIOD  
FROM MARCH 19, 1997 TO JANUARY 15, 1998**

A. Events Leading to and Commencement  
of The Debtor's Restructuring

9. Prior to the Petition Date, the Debtor was a holding company for its wholly owned insurance subsidiary the Home, and its other subsidiaries. Prior to June 12, 1995, the

Home concentrated on large, complex commercial and specialty risks. These specialty risks included lawyers' liability, directors' and officers' liability, and other specialized property and liability coverage for individuals, professionals and businesses.

10. Pursuant to a Consent Order, dated June 12, 1995, and issued by the New Hampshire Insurance Department, the Home generally ceased writing new or renewal insurance on June 12, 1995, the date of the closing of the Recapitalization Agreement.

11. Additionally, on March 3, 1997, the New Hampshire Insurance Department issued an Order of Supervision placing the Home under formal supervision of the Department.

12. On March 7, 1997, A.M. Best downgraded the rating of the Home to E (under state supervision). A.M. Best ratings represent an independent opinion of an insurance company's financial strength and ability to meet its obligations to policyholders. It was as a result of these ominous warning signs regarding the financial deterioration of the Debtor, that the members of the Senior Noteholders' Committee decided to band together to attempt maximize the value of the Debtor's Notes.

B. Formation of Senior Noteholders' Committee and Continuous Communications and Analyses Provided to the Committee Regarding Restructuring Plans and Alternatives

13. Anderson Kill assisted the members of the Senior Noteholders' Committee in forming an ad hoc committee of holders of the 7% Senior Notes due in 1998 and the 7/8% Senior Sinking Fund Notes due 2003 (collectively, the "Notes"). The Senior Noteholders' Committee represented approximately 71% of the



principal amount of the Notes. Because of the large amount of debt held by these Noteholders and the relatively large number of institutions that comprised the Senior Noteholders' Committee, the work of Anderson Kill in advising such Committee on how to properly and effectively function was vital to the Committee's efforts in achieving a successful restructuring.

14. On March 19, 1997, the Senior Noteholders' Committee retained Anderson Kill as its counsel. The Committee then interviewed and retained Altheimer & Gray as its special regulatory counsel and Houlihan Lokey as its financial advisor. Houlihan Lokey was engaged by the Senior Noteholders' Committee on April 22, 1997.

15. The Senior Noteholders' Committee agreed to pay Anderson Kill, Altheimer & Gray and Houlihan Lokey for the respective fees and expenses they incurred in pursuing a restructuring of the Notes (and in the case of Houlihan Lokey also agreed to a success fee).

B. Development of An Initial Restructuring Plan of Home Holdings to be Effectuated Without Consent of Zurich

16. Upon their retention, the Senior Noteholders' Committee directed Anderson Kill and Houlihan Lokey to immediately develop a restructuring strategy with respect to the Notes.

17. Anderson Kill and Houlihan Lokey undertook extensive due diligence on all of the publicly-available documents relating to the Debtor and the Home, including without limitation, a review of all of the debt agreements, the XOL, the statutory financial statements of the Home, the audited financial

statements of the Debtor, and the 1995 Recapitalization Agreement and related exhibits. Altheimer & Gray assisted Anderson Kill in that regard and thereafter in connection with documentation and issues that related to insurance laws generally and the New Hampshire insurance regulatory scheme in particular.

18. Houlihan Lokey interviewed at length an actuarial consultant to develop reasonable assumptions with respect to loss reserves, loss incurrence and other assumptions relating to the liabilities of the Debtor.

19. Houlihan Lokey developed a comprehensive financial model projecting the estimated run-off of the Home to assess the ability to make dividends to pay interest and principal on the Notes.

20. Anderson Kill engaged in comprehensive legal research to assess the contractual obligations of Zurich under the XOL and the relevant legal issues pertaining thereto.

21. Anderson Kill and Houlihan Lokey spent significant amounts of time on conference calls discussing various issues, strategies and restructuring alternatives.

22. Ultimately Anderson Kill and Houlihan Lokey developed a comprehensive restructuring plan to be proposed to the New Hampshire Insurance Department and Board of the Home. Because representatives of Zurich and the Debtor initially refused to meet with the advisors to the Senior Noteholders' Committee, the initial restructuring plan contemplated consummation of a transaction without the consent or involvement of Zurich.

23. The initial restructuring plan contemplated an upstream dividend from the Home to the Debtor, immediately triggering the entire obligation under the XOL to the Home, and an immediate pre-payment by the Debtor on the Notes which would be transferred to a trust with ownership split between existing holders of the Notes and the Home.

24. The initial restructuring plan was a creative approach to create a resolution to the situation, absent the consent of Zurich.

25. Anderson Kill and Houlihan Lokey prepared a comprehensive analysis and presentation of the initial restructuring plan, which resulted in the endorsement of the initial restructuring plan by the Senior Noteholders' Committee after several meetings and teleconferences.

26. Anderson Kill and Houlihan Lokey prepared an extensive analysis and presentation of the initial restructuring plan to the New Hampshire Insurance Department. Anderson Kill and Houlihan Lokey met several times with the New Hampshire Insurance Department and its representatives, both in-person and telephonically, to explain the initial restructuring plan and to address certain issues with respect to implementation of such plan.

27. At the encouragement of the New Hampshire Insurance Department, Anderson Kill and Houlihan Lokey provided to the Home Board of Directors its presentation materials and a formal term sheet memorializing the material terms of the initial restructuring plan. Thereafter, Anderson Kill and Houlihan Lokey

engaged in substantive discussions with the Home Board to encourage the Home Board to pursue the initial restructuring plan.

C. Development of a Consensual Global Restructuring Plan of Home Holdings

28. After (and as a result of) making significant progress toward developing a restructuring plan that could be achieved without the involvement of Zurich, representatives of Zurich became involved in creating a global consensual restructuring of the Debtor.

29. At such time, Anderson Kill and Houlihan Lokey engaged in numerous substantive discussions with the New Hampshire Insurance Department and Zurich to develop an entirely different restructuring plan that would involve the consent, and funding, of Zurich, and would thereby eliminate the legal challenges by Zurich and the Debtor that would have undoubtedly been made with respect to the initial proposed restructuring. The restructuring negotiations focused on realizing value from the Debtor's most significant asset -- its net operating loss carry-forwards ("NOL").

30. At each stage of the process, Anderson Kill and Houlihan Lokey continuously communicated progress in the case to the Senior Noteholders' Committee, which, due to the inherent complexities, typically entailed weekly conference calls and numerous memoranda.

31. Anderson Kill undertook significant due diligence with respect to the tax issues applicable to the NOL -- the existence, the validity of deductions giving rise to the NOL, the

impact, if any, of certain material events, such as the 1995 Recapitalization and the Trygg-Hansa/SE Banken merger, the limitations on use and the various structural requirements to preserve the maximum amount of NOL after consummation of a restructuring plan. Anderson Kill also spent considerable time developing the appropriate bankruptcy strategy for implementation of the Plan and understanding the various claims that would need to be addressed in a global restructuring of the Debtor.

32. Houlihan Lokey worked together with Anderson Kill in devising the optimal structure to preserve as much of the NOL as possible. In addition, Houlihan Lokey developed comprehensive financial models that assessed a wide range of restructuring alternatives available to the Senior Noteholders' Committee.

33. Anderson Kill and Houlihan Lokey spent considerable amount of time working with Zurich and its counsel to explore various alternative transaction structures to maximize the amount of NOL after consummation of the transaction.

34. While negotiating the terms of the Plan, Anderson Kill and Houlihan Lokey continued to advise the Senior Noteholders' Committee on the economic consideration being proposed under the Plan, the transactional alternatives to the Plan, the litigation strategies available to the Senior Noteholders' Committee and other alternatives to maximize the recoveries on the Notes.

35. Based on the efforts of Anderson Kill and Houlihan Lokey to communicate the merits of the Plan versus any possible alternatives, the Senior Noteholders' Committee entered into

"lock-up" letters binding their respective institutions to the terms of the Plan. The support of the Senior Noteholders' Committee allowed for the expedited consummation of a global restructuring plan with the New Hampshire Insurance Department and Zurich, which included cash consideration, new Earn Out Notes utilizing the substantial NOL of the Debtor, residual ownership of the Home and the payment of the interest owing on the Notes on June 15, 1998.

D. Negotiating and Structuring Terms of Securities to be Used in Connection with Restructuring

36. Anderson Kill and Houlihan Lokey undertook significant efforts to draft and review appropriate term sheets memorializing the Plan, which included numerous complexities with respect to creating the EONs (in as much as no precedent existed for the terms of the EONs). Literally each and every term of the EONs was the product of extensive negotiations between Houlihan Lokey and Anderson Kill on behalf of the Senior Noteholders' Committee and Zurich. For sake of illustration, each of the following, without limitation, were extensively negotiated to create the terms of the EONs: minimum deemed income levels and the timing thereof; the proportion of cash paid and deferred; the interest rate on deferred payments; the payment dates; transferability of the EONs and desirable limitations thereon; credit enhancements on the EONs (i.e., a "Keepwell Agreement" and "Put Agreement") and the credit quality of the entities "backstopping" such obligations; and events providing excused performance by the issuer.

37. Anderson Kill and Houlihan Lokey structured an innovative mechanism (i.e., the "Percentage Formula") to determine the amount of New Notes issued to holders of the Notes which created an incentive for an expedited Plan consummation.

E. Developing an Implementation Strategy For Restructuring Plan

38. Anderson Kill and Houlihan Lokey were instrumental in developing with counsel to Zurich the appropriate implementation strategies for the Plan. Numerous meetings and conference calls among Anderson Kill and Houlihan Lokey on behalf of the Senior Noteholders' Committee, and counsel to Zurich and the Debtor were held to jointly develop a pre-arranged bankruptcy plan strategy.

39. Anderson Kill and Houlihan Lokey assisted Zurich in obtaining the consent of Trygg-Hansa to the Plan. Anderson Kill and Houlihan Lokey were directly involved in amending the Plan structure in a manner necessary to obtain such consent.

40. Anderson Kill and Houlihan Lokey spent significant amounts of time understanding the issues to be resolved to obtain the consent of the New Hampshire Insurance Department. Throughout the process, Anderson Kill and Houlihan Lokey were instrumental in providing information to the Department, which ultimately led to the Department's support of the Plan.

41. Anderson Kill and Houlihan Lokey spent considerable time analyzing and addressing issues that were in the collective interest of all parties of being resolved, such as complying with important provisions of the Tax Code to preserve the NOL.

42. During the course of developing the Plan, exogenous events, in particular the pending merger of Trygg-Hansa with SE Banken, created a material risk that the Plan could not be consummated. In particular, the pending merger created a deadline to file Chapter 11 to implement the Plan. Upon the announcement of the merger, professionals at Anderson Kill and Houlihan Lokey literally dropped all they were doing to attend an "all hands" meeting at the offices of Zurich to collectively address an expedited filing.

F. Drafting and Reviewing Extensive Documentation Giving Effect to Restructuring Plan

43. Working with counsel from Zurich, the Debtor, Trygg-Hansa and the New Hampshire Insurance Dept., Houlihan Lokey and Anderson Kill undertook a significant role in drafting the Plan, Disclosure Statement and the several transactional documents accompanying the Plan, which were filed concurrently with the petition on the Petition Date.

G. Preparation of Material Portions of Transaction Documents and Disclosure Statement

44. Houlihan Lokey and Anderson Kill drafted and/or revised material portions of the Disclosure Statement. Houlihan Lokey prepared a summary of creditor recoveries for each class under the Plan. The summary was based on a comprehensive financial model, which analyzed the economic consideration expected to be received under the Plan including a valuation of the EONs for inclusion in the Disclosure Statement. Anderson Kill drafted sections of the Disclosure Statement relating to the pre-petition negotiations leading to the Plan. Both Houlihan



Lokey and Anderson Kill were actively involved in reviewing and revising the Plan, Disclosure Statement and other transactional documents giving effect to the Plan.

45. In the two weeks before filing the Plan and related documents on January 15, professionals at Anderson Kill and Houlihan Lokey involved in this case dedicated nearly 100% of their time to the numerous issues, consents, documents and logistics necessary to effectuate such filing.

**IV. THE WORK PERFORMED BY THE SENIOR NOTEHOLDERS' COMMITTEE'S PROFESSIONALS MEETS THE SUBSTANTIAL CONTRIBUTION STANDARD**

46. The "substantial contribution" standard is a flexible one, which has been applied by the Court pragmatically, based on the facts unique to each case. Generally, the better reasoned authority, including authority in this Circuit, has adopted the so-called "direct benefit" standard for the concept of substantial contribution -- i.e., in order to justify an award or allowance under 11 U.S.C. § 503(b), this standard focuses on whether the services at issue provided a "direct benefit" to the reorganization process and chapter 11 estate.

47. In this respect, from the case law certain factors appear to emerge as among some of the more important considerations in determining whether the work performed meets the substantial contribution standard:

- Central to the Reorganization: Can it be said that the work performed focused on the core elements of the reorganization process, versus issues of only tangential importance?
- Beneficial to Most Constituencies: Can it be said that the work performed benefitted most

constituencies, versus, for example, one narrow creditor group?

- Saving of Time and Expense: Can it be said that the work performed shortened and contributed to the administration of the reorganization process, saving both time and expense?

48. Starting with the first of these considerations, the very reason for the existence of the Senior Noteholders' Committee and the work performed by its professionals was to structure and effectuate a successful restructuring of the Debtor. The Senior Noteholders' Committee, through its professionals, initiated the negotiation process. Moreover, it is fair to conclude that without the Senior Noteholders' Committee and the work performed by its professionals there would have been no pre-arranged Plan.

49. A second consideration is whether the work undertaken by the Committee benefitted most constituencies. In March 1997, at the time of the New Hampshire Insurance Department's issuance of the Order of Supervision, Home's bonds were trading at seven cents on the dollar. As a result of the work undertaken by the Senior Noteholders' Committee, the recoveries in the Disclosure Statement were estimated to be forty cents on the dollar -- representing a significantly larger recovery.

50. A third consideration relevant to the request made in this Application is whether the Senior Noteholders' Committee's work resulted in a saving of time and cost in the administration of this reorganization. Given the fact that the Debtor needed only approximately six and one-half months between the Petition

Date and the date the Plan went effective, the Senior Noteholders' Committee respectfully submits that this is a far more truncated timetable than what ordinarily would be expected from a Chapter 11 case with nearly \$640 million of secured, unsecured, and priority creditor claims.

51. In sum, the Senior Noteholders' Committee respectfully submits that the work it undertook during this case meets the substantial contribution standard.

## **V. ADDITIONAL INFORMATION**

### **A. Biographical Data for Anderson Kill Professionals**

52. During the Application Period, the partner at Anderson Kill who was in charge of the work undertaken in representation of the Committee was Anthony Princi. Mr. Princi is a member of the firm and has significant experience in the area of corporate reorganizations and restructurings. Other attorneys from Anderson Kill who devoted substantial time to this matter included: Stefan R. Boshkov, Michael W. Stamm, Edan L. Segal, Lisa M. Anastos, and Alan Arkin. Attached hereto as Exhibit B is a brief biography of each of these Anderson Kill attorneys.

53. During this case, Anderson Kill and Altheimer & Gray generated statements of their respective fees and expenses, whose entries were made on a daily basis and in a manner utilized by the firms to reflect the contemporaneous documentation of services provided and expenses incurred in a chapter 11 case, and were generally in conformance with local rules and guidelines.

54. Attached hereto as Exhibit A is a schedule prepared by Anderson Kill which lists every attorney and paralegal who worked on matters pertaining to Anderson Kill's representation during the Application Period, and the total hours and total charges for those hours on a monthly basis. In addition, Exhibit A also contains a monthly summary of the expense items by category that were incurred by Anderson Kill.

#### **CONCLUSION**

55. It is respectfully submitted that the Senior Noteholders' Committee's request for fees and reimbursement of expenses set forth herein meets the standards and requirements set forth in Section 503(b)(3) and 503(b)(4) of the Code, and is reasonable for the actual and necessary services provided and under the facts and circumstances of this reorganization.

56. No agreement exists in violation of the prohibitions of Section 504 of the Code for the division or sharing of any fees which are allowed pursuant to this or any future application made by Anderson Kill herein.

57. Because this Application does not raise any novel issue of law, it is respectfully requested that the requirement under local Bankruptcy Rule 9013-1(b) for submission of a memo of law be waived.

58. No previous application for relief sought herein has been made to this or any other court.

WHEREFORE, for all of the foregoing reasons, the Senior Noteholders' Committee respectfully requests that this Court (i) allow it compensation for professional services and related out-

of-pocket expenses rendered to it and incurred during the period March 19, 1997 through January 15, 1998, in the amount of \$1,700,000; (ii) direct the Debtor to make payment to the Senior Noteholders' Committee of such amounts in a timely manner; and (iii) grant the Committee such other and further as may be appropriate.

Dated: New York, New York  
September 25, 1998

ANDERSON KILL & OLICK, P.C.

By           /s/ Anthony Princi            
Anthony Princi (AP-2150)  
A Member of the Firm

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## **EXHIBIT B**

### **BIOGRAPHY OF ANDERSON KILL'S PROFESSIONALS**

#### **Stefan R. Boshkov**

Mr. Boshkov graduated from Columbia College and Columbia University School of Law. Mr. Boshkov practices primarily in the field of federal income taxation.

#### **Michael W. Stamm**

Mr. Stamm graduated from Villanova University and Rutgers University School of Law. Mr. Stamm practices primarily in the field of corporate law.

#### **Anthony Princi**

Mr. Princi graduated from Fordham University and Fordham University School of Law. Mr. Princi practices primarily in the field of bankruptcy and restructuring, as well as general litigation.

#### **Edan L. Segal**

Ms. Segal graduated from the State University of New York at Albany and Fordham University School of Law. Ms. Segal practices primarily in the fields of bankruptcy and corporate restructurings.

#### **Lisa M. Anastos**

Ms. Anastos graduated from the Wharton School of Business and New York University School of Law. Ms. Anastos practices primarily in the fields of bankruptcy and corporate restructurings, as well as general litigation.

#### **Alan Arkin**

Mr. Arkin graduated from Washington University and Tulane University School of Law. Mr. Arkin practices primarily in the field of commercial litigation.