

THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

FILED
U.S. BANKRUPTCY COURT
2004 MAR 24 AM 10:19
NORTHERN DISTRICT OF OHIO
YOUNGSTOWN

In re:) Chapter 11
)
LTV STEEL COMPANY, INC.,) Jointly Administered
A New Jersey Corporation, et al.,) Case No. 00-43866
)
Debtors.) Chief Judge Randolph Baxter

SEVENTH AND FINAL APPLICATION OF THE BLACKSTONE GROUP L.P.,
AS FINANCIAL ADVISOR TO LTV STEEL COMPANY, INC., AND ITS AFFILIATES
FOR A FINAL ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF OUT-OF-POCKET EXPENSES INCURRED

SUMMARY SHEET

Name of Applicant: The Blackstone Group L.P.

Authorized to Provide
Professional Services to: LTV Steel Company, Inc., et al.

Date of Retention: February 20, 2001, effective December 29, 2000

Current Period for which Compensation and
Expense Reimbursement are Requested: January 1, 2003 through April 30, 2003

Compensation Requested \$100,000.00
Expense Reimbursement Requested: \$6,572.92
Cash Payment Requested: \$106,572.92

Complete Compensation Period: December 29, 2000 through April 30, 2003

Total Compensation Sought: \$10,979,152.90
Total Expense Reimbursement Sought: \$583,843.41
Total Cash Payment Sought: \$259,211.21

This is an: interim final application

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**TO THE HONORABLE RANDOLPH BAXTER
CHIEF UNITED STATES BANKRUPTCY JUDGE:**

The Blackstone Group L.P. ("Blackstone"), financial advisor to LTV Steel Company, Inc. and its subsidiaries, each a debtor and debtor-in-possession (collectively, the "Debtors"), respectfully represents:

I. Background

1. On December 29, 2000 (the "Petition Date"), each of the Debtors filed a voluntary petition in this Court for reorganization relief under chapter 11 of the Bankruptcy Code.
2. On January 10, 2001, this Court entered an order (the "Administrative Order") pursuant to Sections 105(a) and 331 of the Bankruptcy Code establishing procedures for interim compensation and reimbursement of expenses of professionals.
3. On January 25, 2001, the Debtors applied to this Court for an order authorizing them to retain Blackstone as their financial advisor effective as of the Petition Date pursuant to the terms of

an engagement agreement dated February 15, 2001, and amended on February 7, 2002¹ (collectively, the "Engagement Agreement"). A copy of the Engagement Agreement is attached hereto as Appendix A.

4. On February 20, 2001, this Court entered an order (the "Retention Order") authorizing the Debtors to employ Blackstone as their financial advisor effective as of the Petition Date pursuant to the terms of the Engagement Agreement.

5. This is the seventh and final fee application (the "Seventh Interim Application") of Blackstone for: (i) an interim allowance of compensation for services rendered by Blackstone on behalf of the Debtors during the period of January 1, 2003 through April 30, 2003 (the "Seventh Interim Period"); (ii) the reimbursement of out-of-pocket expenses recorded during the Seventh Interim Period; and for (iii) final approval of Blackstone's fees and out-of-pocket expenses previously applied for in its first interim fee application (the "First Interim Application") for the period of December 29, 2000 through April 30, 2001 (the "First Interim Period"), second interim fee application (the "Second Interim Application") for the period of May 1, 2001 through August 31, 2001 (the "Second Interim Period"), third interim fee application (the "Third Interim Application") for the period of September 1, 2001 through December 31, 2001 (the "Third Interim Period"), fourth interim fee application (the "Fourth Interim Application") for the period of January 1, 2002 through April 30, 2002 (the "Fourth Interim Period"), fifth interim fee application (the "Fifth Interim Application") for the period of May 1, 2002 through August 31, 2002 (the "Fifth Interim Period"), and sixth interim fee application (the "Sixth Interim Application") for the period of September 1, 2002 through December 31, 2002 (the "Sixth Interim Period").

¹ On January 7, 2002, Blackstone filed a motion with this Court for an order approving an amendment to its engagement agreement. The amendment specifically addressed the treatment of fees and expenses to be earned by Blackstone. On February 19, 2002, this Court entered an order approving said amendment (Docket No. 2513).

6. Additionally, Blackstone respectfully requests this Court's approval of the transaction fees earned by Blackstone for the services provided to the Debtors in connection with the sale of the LTV integrated steel operations, VP Buildings, and LTV Tubular.

7. This Seventh Interim Application is made pursuant to the provisions of 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Retention Order, the Administrative Order, and the United States Trustee Guidelines.

II. The Blackstone Retention

8. On January 28, 2002, the Debtors applied to this Court for an order authorizing them to retain Blackstone pursuant to the Engagement Agreement as their financial advisor effective as of the Petition Date. Specifically, Blackstone was retained as financial advisor to provide the following professional services:

- (a) Assist in the evaluation of the Debtors' businesses and prospects;
- (b) Assist in the development of the Debtors' long-term business plan and related financial projects;
- (c) Assist in the development of financial data and presentations to the Debtors' Board of Directors, various creditors, and other third parties;
- (d) Analyze the Debtors' financial liquidity and evaluate alternatives to improve such liquidity;
- (e) Analyze various restructuring scenarios and the potential impact of these scenarios on the value of the Debtors and the recoveries of those stakeholders impacted by the Restructuring;
- (f) Provide strategic advice with regard to restructuring or refinancing the Debtors' indebtedness and other obligations;
- (g) Evaluate the Debtors' debt capacity and alternative capital structures;
- (h) Participate in negotiations among the Debtors and its creditors, suppliers, lessors joint venture partners and other interested parties;

- (i) Value securities offered by the Debtors in connection with a Restructuring;
- (j) Advise the Debtors and negotiate with lenders with respect to potential waivers or amendments of various credit facilities;
- (k) Assist in arranging debtor-in-possession (“DIP”) financing for the Debtors, as requested; and
- (l) Provide such other advisory services as are customarily provided in connection with the analysis and negotiation of a Restructuring, as requested by the Debtors and mutually agreed.

9. In addition to providing the restructuring services described above, Blackstone was also retained to provide investment-banking services to the Debtors in pursuit of a transaction. With respect to said investment-banking services, Blackstone was retained to provide, without limitation, the following:

- (a) Provide advisory services, including a general business and financial analysis, transaction feasibility analysis, and pricing analysis of a Transaction;
- (b) Assist the Debtors in formulating the marketing strategy related to a Transaction;
- (c) Prepare marketing materials, including an Offering Memorandum, management presentation or other marketing materials, highlighting the investment considerations of the Debtors, any or all of its subsidiaries, and/or any or all of its assets, to third parties, as appropriate;
- (d) Identify, classify and contact third parties and facilitate their due diligence by responding to inquiries and providing additional information, as appropriate;
- (e) Evaluate offers, assist in negotiations and develop a general transaction strategy; and
- (f) Provide other financial advisory services that may be customarily rendered in connection with a Transaction.

10. Pursuant to the terms of the Engagement Agreement, as approved by the Retention Order, and the order approving Blackstone’s amended fee structure, Blackstone may receive a fee of \$175,000.00 per month for advisory services rendered on behalf of the

Debtors with said monthly fee to be reduced to \$50,000.00 per month for advisory services rendered on behalf of the Debtors effective upon the closing of the Copperweld DIP facility.

III. Summary Of Services Provided

11. During the period of Blackstone's post-petition engagement, Blackstone professionals devoted significant time and attention to assisting the Debtors in the implementation of its Restructuring. Blackstone estimates that its professionals expended in excess 16,121.3 hours providing financial advisory services to the Debtors during its post-petition retention. So as to not unduly burden the Court, the following is a summary of the services provided by Blackstone on behalf of the Debtors over the course of these cases:

- Coordinated third-party due diligence requests and visits by creditors and other constituencies;
- Attended meetings between the Debtors and various constituencies and their counsel and financial advisors;
- Worked with the Debtors to develop negotiating positions for financing and restructuring discussions with creditors;
- Assisted in negotiations with pre-petition lenders and the Bankruptcy Court for, among other things, resolution of the "true sale" nature of the special purpose financing vehicles;
- Developed and maintained various operating/restructuring projections in collaboration with other of the Debtors' advisors;
- Reviewed financial analyses generated by both the Debtors' finance staff and other external advisors;
- Worked with the Debtors to secure an interim financing agreement and a permanent DIP facility;
- Worked with Debtors to secure the Ableco Working Capital Facility;
- Attended meetings and negotiated documentation of the DIP facility;
- Prepared presentations to the Board of Directors, Bank Groups, creditor groups, and other constituencies;

- Worked with the Debtors to formulate, negotiate, seek approval for, and implement a Key Employee Retention Program;
- Advised the Debtors in matters relating to the Emergency Steel Loan Guarantee Program and assisted in discussions and negotiations with the U.S. Government;
- Researched, drafted and prepared discussion materials for potential buyers;
- Attended meetings and negotiated documentation of the Wellspring Capital Management bid;
- Prepared presentations to the Board of Directors, Bank Groups, creditor groups, and other constituencies;
- Advised the Debtors in matters relating to the Emergency Steel Loan Guarantee Program and assisted in discussions and negotiations with the U.S. Government;
- Worked with the Debtors to develop negotiating positions with the United Steelworkers of America union representatives;
- Assisted management in formulating and analyzing various strategic alternatives for the Debtors, including, without limitation:
 - o The sale or disposition of various assets,
 - o The consolidation of certain of the Debtors' estates,
 - o The wind-down of certain of the Debtors' business lines, and
 - o The operational restructuring of certain of the Debtors' business lines;
- Worked with the Debtors and Jay Alix & Associates to prepare an asset protection plan;
- Attended meetings between the Debtors and various constituencies and their counsel and financial advisors;
- Met with the Debtors to explain sale process, including overall strategy and timeline;
- Coordinated the M&A process for Columbus Coatings Company, including identifying potential buyers and holding discussions regarding structure and value;
- Coordinated discussions with various constituencies, including Debtor, Bank Groups, and creditors as well as their advisors, relating to the integrated steel business sale process;

- Negotiated the WL Ross asset purchase agreement;
- Worked on a Steel Cash Purchase Price Allocation Presentation with respect to the WL Ross winning bid;
- Worked with Bank Group to update Asset Protection Plan and related budget;
- Researched and analyzed various issues with respect to the treatment of position of the Debtors' joint ventures;
- Assisted on the sale process for certain of the Debtors' joint ventures;
- Analyzed inter-company claims between various debtor estates and drafted various presentation and sensitivities based on outstanding claims;
- Responded to and prepared data for various creditor information requests;
- Analyzed tax scenarios for potential reorganization structures;
- Analyzed pension obligations and assisted the Company in determining value of PBGC claim;
- Performed various analyses including, without limitation:
 - o Operating/restructuring analyses,
 - o Preliminary enterprise value analyses of the Debtors' various business lines,
 - o Borrowing base analyses with respect to the DIP facility,
 - o Covenant analyses for the various credit facilities,
 - o Comparative analyses of DIP financing proposals, and
 - o Reconciliation of the Company's actual performance vs. various sets of projections;

Sale of VP Buildings

- Prepared lists of potential of potential purchasers;
- Designed a marketing process for sale of assets;
- Evaluated preliminary final bids discussed with management, the Board of Directors and creditor constituencies;
- Negotiated bids; and

- Provided expert witness testimony for bids;

Sale of Integrated Steel Business

- Prepared lists of potential of potential purchasers;
- Designed a marketing process for sale of assets;
- Evaluated preliminary final bids discussed with management, the Board of Directors and creditor constituencies;
- Negotiated bids; and
- Provided expert witness testimony for bids;

Sale of LTV Tubular

- Prepared lists of potential of potential purchasers;
- Designed a marketing process for sale of assets;
- Evaluated preliminary final bids discussed with management, the Board of Directors and creditor constituencies;
- Negotiated bids; and
- Provided expert witness testimony for bids;

Efforts to Sell Copperweld

- Prepared lists of potential of potential purchasers;
- Designed a marketing process for sale of assets;
- Evaluated preliminary final bids discussed with management, the Board of Directors and creditor constituencies;
- Negotiated bids; and
- Provided expert witness testimony for bids; and
- Provided other general business and bankruptcy advice.

IV. The Blackstone Team

12. The financial services set forth above were performed primarily by: Arthur B. Newman, Senior Managing Director; Paul P. Huffard, Senior Managing Director; Raffiq A. Nathoo, Senior Managing Director; John McNicholas, Managing Director; Mark Wasserberger, Managing Director; Susan Winter, Vice President; Pierre Chung, Vice President; Amar Lalvani, Associate, Ben Hakim, Associate; Mark Berkowitz, Associate; Ian Haft, Associate; Jason Perri, Associate; Arash Farin, Analyst; David Scott, Analyst; Benjamin Whitfield, Analyst; Joseph Lee, Analyst; Eric Andersen, Analyst; John Pettey, Analyst; Jeffrey Braverman, Analyst; Vivek Garipalli, Analyst; and other professionals, as needed, of Blackstone. Details of the background and experience of the professionals currently employed at Blackstone are provided in .

V. Blackstone's Request for Compensation and Reimbursement of Expenses

A. Blackstone's First Interim Application

13. During the First Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$626,612.90. Additionally, Blackstone recorded actual and necessary out-of-pocket expenses incurred in the amount of \$137,730.34. On June 29, 2001, Blackstone filed its First Interim Application for an interim allowance of fees totaling \$626,612.90, and the reimbursement of out-of-pocket expenses totaling \$137,730.34.

14. On August 21, 2001, this Court entered an order approving Blackstone's First Interim Application for compensation in the amount of \$626,612.90, and the reimbursement of out-of-pocket expenses totaling \$105,702.76. Blackstone respectfully requests that this Court deem the approval of Blackstone's First Interim Application as final.

B. Blackstone's Second Interim Application

15. During the Second Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$700,000.00. Additionally, Blackstone recorded actual and necessary out-of-pocket expenses incurred in the amount of \$116,004.06. On October 22, 2001, Blackstone filed its Second Interim Application for an interim allowance of fees in the amount of \$700,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$116,004.06.

16. On November 4, 2002, this Court entered an order approving Blackstone's Second Interim Application for compensation in the amount of \$700,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$114,262.81. Blackstone respectfully requests that this Court deem the approval of Blackstone's Second Interim Application as final.

C. Blackstone's Third Interim Application

17. During the Third Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$700,000.00. Additionally, Blackstone recorded actual and necessary out-of-pocket expenses incurred in the amount of \$79,027.96. On April 15, 2002, Blackstone filed its Third Interim Application for an interim allowance of fees in the amount of \$700,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$79,027.26. On November 4, 2002, this Court entered an order approving Blackstone's Third Interim Application. Blackstone respectfully requests that this Court grant approval of all fees and out-of-pocket expenses applied for in connection with Blackstone's Third Interim Application, and deem said approval as final.

D. Blackstone's Fourth Interim Application

18. During the Fourth Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$700,000.00. Additionally, Blackstone recorded actual

and necessary out-of-pocket expenses incurred in the amount of \$84,254.24. On June 19, 2002, Blackstone filed its Fourth Interim Application for an interim allowance of fees in the amount of \$700,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$84,254.24. On October 22, 2002, this Court entered an order approving Blackstone's Fourth Interim Application. Blackstone respectfully requests that this Court grant approval of all fees and out-of-pocket expenses applied for in connection with Blackstone's Fourth Interim Application, and deem said approval as final.

E. Blackstone's Fifth Interim Application

19. During the Fifth Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$200,000.00. Additionally, Blackstone recorded actual and necessary out-of-pocket expenses incurred in the amount of \$141,384.42. On October 22, 2002, Blackstone filed its Fifth Interim Application for an interim allowance of fees in the amount of \$200,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$141,384.42. On November 27, 2002, this Court entered an order approving Blackstone's Fifth Interim Application. Blackstone respectfully requests that this Court grant approval of all fees and out-of-pocket expenses applied for in connection with Blackstone's Fifth Interim Application, and deem said approval as final.

F. Blackstone's Sixth Interim Application

20. During the Sixth Interim Period, Blackstone provided advisory services to the Debtors and earned fees for such services totaling \$100,000.00. Additionally, Blackstone recorded actual and necessary out-of-pocket expenses incurred in the amount of \$52,638.29. On January 29, 2004, Blackstone filed its Sixth Interim Application for an interim allowance of fees in the amount of \$100,000.00, and the reimbursement of out-of-pocket expenses in the amount of \$52,638.29.

Blackstone respectfully requests that this Court grant approval of all fees and out-of-pocket expenses applied for in connection with Blackstone's Sixth Interim Application, and deem said approval as final.

G. Blackstone's Seventh Interim Application

21. During the Seventh Interim Period, Blackstone has provided advisory services to the Debtors and earned fees for such services totaling \$100,000.00. Additionally, Blackstone has recorded actual and necessary out-of-pocket expenses in the amount of \$6,572.92. Blackstone respectfully requests that this Court grant approval of all fees and out-of-pocket expenses applied for in connection with Blackstone's Seventh Interim Application, and deem said approval as final.

22. A summary of all fees and out-of-pocket expenses applied for and received to date is attached hereto as Appendix C. Details of the expenses recorded during the Seventh Interim Period are provided in Appendix D. Details of the out-of-pocket expenses incurred by Blackstone professionals during the First through Sixth Interim Periods are provided for reference purposes in Appendix E.

23. Blackstone respectfully submits that the compensation requested for the Seventh interim period for services rendered by Blackstone to the Debtors is fully justified and reasonable based upon (a) the time and labor required, (b) the complexity of the issues presented, (c) the skill necessary to perform the financial advisory services, (d) the preclusion of other employment, (e) time constraints required by the exigencies of the case and (f) the experience, reputation, and ability of the professionals rendering services.

24. Blackstone respectfully submits that the services it has rendered to the Debtors have been necessary and in the best interest of the Debtors and the estate and have furthered the goals of all parties in interest. Blackstone respectfully submits that under all of the criteria normally examined

in chapter 11 reorganization cases, the compensation requested by Blackstone is reasonable in light of the work performed by Blackstone in these cases.

25. The amount of the fees and expenses sought in this application and Blackstone's billing processes are consistent with market practices both in and out of a bankruptcy context. Blackstone has never billed its clients based on the number of hours expended by its professionals. Accordingly, Blackstone does not have hourly rates for its professionals and Blackstone's professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtors' case, pursuant to the Retention Order, Blackstone expended in excess of 16,121.3 hours in providing financial advisory and investment banking services to the Debtors during the period of December 29, 2000 through April 30, 2003. Details of the hours expended during the Seventh Interim Period are provided in Appendix F.² Details of the hours expended during the First through Sixth Interim Periods are provided for reference purposes in Appendix G.

H. Blackstone's Request for Reimbursement of Expenses

26. Out-of-pocket expenses incurred by Blackstone are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such particular client. Blackstone does not factor general overhead expenses into disbursements charged to its clients in connection with chapter 11 cases. Blackstone has followed its general internal policies with respect to out-of-pocket expenses billed to the Debtors as set forth below, with any exceptions specifically explained:

- (a) Blackstone's general policy permits its professionals to charge in-office dinner meals to a client after 8:00 p.m. if the employee is required to provide services to the client during such dinnertime.

² The details of the hours expended during the Sixth and Seventh Interim Period provided in Appendices G and F do not include numerous hours expended by professionals in Blackstone's Mergers & Acquisitions group.

- (b) Messengers, couriers, or overnight delivery are used by Blackstone to deliver hard copy documents relating to the client matter which require receipt on an expedited basis; otherwise, Blackstone uses the regular postal system. Any charges for, either messengers, couriers, or overnight delivery are billed to a client at cost.
- (c) The research category consists of charges from services, which supply, for a fee, financial documents to Blackstone. Financial research services generally consist of the retrieval of financial documents from regulatory agencies.
- (d) Blackstone bills photocopying charges at the rate of \$0.20 per page.
- (e) With respect to local travel, Blackstone's general policy enables employees to travel by taxi or, in certain circumstances private car service, to and from meetings while rendering services to a client on a client related matter, for which the client is charged.
- (f) Blackstone bills outgoing long-distance facsimile charges at a rate of \$.25 per page. Blackstone does not bill local or incoming facsimile charges to clients.

27. Blackstone respectfully submits that the out-of-pocket expenses for which Blackstone seeks allowance and reimbursement of were necessary and reasonable both in scope and amount.

28. All services provided by Blackstone for which compensation is requested were performed for and on behalf of the Debtors after the filing of these cases and were not rendered on behalf of any other person.

29. There is currently no agreement or understanding between Blackstone and any other person for the sharing of compensation received or to be received for services rendered in connection with these proceedings.

30. Out-of-pocket expenses incurred by Blackstone are charged to a client if the out-of-pocket expenses are incurred on behalf of a client or are otherwise necessary in connection with services rendered for such particular client. Blackstone does not factor general overhead expenses into disbursements charged to its clients in connection with chapter 11 cases. Blackstone has followed its general internal policies with respect to out-of-pocket expenses billed to the Debtors as set forth below, with any exceptions specifically explained:

- (a) Blackstone's general policy permits its professionals to charge in-office dinner meals to a client after 8:00 p.m. if the employee is required to provide services to the client during such dinnertime.
- (b) Messengers, couriers, or overnight delivery are used by Blackstone to deliver hard copy documents relating to the client matter which require receipt on an expedited basis; otherwise, Blackstone uses the regular postal system. Any charges for, either messengers, couriers, or overnight delivery are billed to a client at cost.
- (c) The research category consists of charges from services, which supply, for a fee, financial documents to Blackstone. Financial research services generally consist of the retrieval of financial documents from regulatory agencies.
- (d) Blackstone bills photocopying charges at the rate of \$0.20 per page.
- (e) With respect to local travel, Blackstone's general policy enables employees to travel by taxi or, in certain circumstances private car service, to and from meetings while rendering services to a client on a client related matter, for which the client is charged.
- (f) Blackstone bills outgoing long-distance facsimile charges at a rate of \$.25 per page. Blackstone does not bill local or incoming facsimile charges to clients.

31. Blackstone respectfully submits that the out-of-pocket expenses for which it seeks allowance during the Sixth Compensation Period are necessary and reasonable both in scope and amount.

32. No prior application for the relief requested herein has been made.

33. All services, for which compensation is requested by Blackstone, were performed for and on behalf of the Debtors after the filing of this case and were not rendered on behalf of any other person or entity.

34. There is no agreement or understanding between Blackstone and any other person for the sharing of compensation received or to be received for services rendered in connection with these proceedings.

IV. Requested Relief

WHEREFORE, Blackstone requests the Court to:

- (a) Approve the allowance of Blackstone's (i) monthly advisory fees in the amount of \$100,000.00, (ii) M&A Transaction fees in the amount of \$7,852,540.00, and (iii) the reimbursement of Blackstone's out-of-pocket expenses in the amount of \$6,572.92 for the Seventh Interim Period;
- (b) Authorize and direct the Debtors to pay Blackstone's fees and out-of-pocket expenses for the Seventh Interim Period as follows:

Monthly Advisory Fees	\$100,000.00
Out-of-Pocket Expenses	6,572.92
Amount Due Blackstone	<u>\$106,572.92</u>

- (c) Deem all fees and out-of-pocket expenses applied for in this Seventh Interim Application and in connection with Blackstone's First, Second, Third, Fourth, Fifth and Sixth Interim Applications, as final. In summary, the following are the total of fees and out-of-pocket expenses due to Blackstone:

First Interim Application	\$ 732,315.66
Second Interim Application	814,262.81
Third Interim Application	779,027.96
Fourth Interim Application	784,254.25
Fifth Interim Application	341,384.42
Sixth Interim Application	152,638.29
Seventh Interim application	106,572.92
M&A Transaction Fees	7,852,540.00
Sub-total	<u>11,562,996.31</u>
Less: Payments Received	<u>(11,303,785.10)</u>
Total Amount Due Blackstone	<u>\$ 259,211.21</u>

- (d) Grant such other and further relief as this Court deems just and proper.

Dated: March 22, 2004

THE BLACKSTONE GROUP L.P.
Financial Advisor to the Debtors

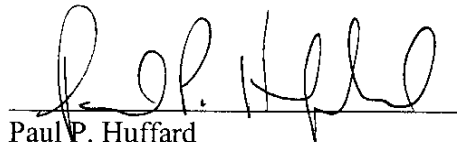
By: 

Paul P. Huffard
Senior Managing Director
345 Park Avenue
New York, NY 10154

amount of 6,572.92; and for (iv) all fees and out-of-pocket expenses applied for in this Seventh Interim Application, and those previously applied for in connection with Blackstone's First, Second, Third, Fourth, Fifth and Sixth Interim Applications, covering the combined period of December 29, 2000 through December 31, 2002, to be deemed by this Court as final.

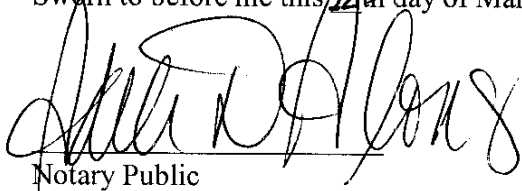
3. All of the services provided by Blackstone for which compensation is sought were performed for and on behalf of the Debtors and not on behalf of any other person.

4. No agreement or understanding exists between Blackstone and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with these cases.



Paul P. Huffard
Senior Managing Director

Sworn to before me this ^{22nd} day of March 2004



Notary Public

