

**THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

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In re:	:	Chapter 11
	:	JOINTLY ADMINISTERED
COPPERWELD CORPORATION	:	
COPPERWELD BIMETALLICS PRODUCTS COMPANY	:	Judge Randolph Baxter
COPPERWELD EQUIPMENT COMPANY	:	
COPPERWELD MARKETING AND SALES COMPANY	:	Case No. 00-43869
COPPERWELD TUBING PRODUCTS COMPANY	:	Case No. 00-43868
METALLON MATERIALS ACQUISITION CORP.	:	Case No. 00-43870
MIAMI ACQUISITION CORPORATION	:	Case No. 00-43871
SOUTHERN CROSS INVESTMENT COMPANY	:	Case No. 00-43872
TAC ACQUISITION CORPORATION	:	Case No. 00-43899
WELDED TUBE CO. OF AMERICA	:	Case No. 00-43900
WELDED TUBE HOLDINGS, INC.,	:	Case No. 00-43904
	:	Case No. 00-43905
Copperweld Debtors.	:	Case No. 00-43911
	:	Case No. 00-43912
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**SUMMARY OF FINAL APPLICATION OF CIBC WORLD MARKETS CORP.,
FINANCIAL ADVISORS FOR THE OFFICIAL COMMITTEE OF
NOTEHOLDERS, FOR ALLOWANCE OF COMPENSATION FOR
SERVICES RENDERED DURING THE PERIOD
NOVEMBER 20, 2001 – JANUARY 15, 2002**

Name of applicant:	CIBC World Markets Corp.
Authorized to provide professional services to:	The Official Committee of Noteholders of LTV Steel Company, Inc., <u>et al.</u>
Date of retention:	April 6, 2001. Retention was approved <i>nunc pro tunc</i> as of January 29, 2001.
Period for which compensation is sought:	November 20, 2001 through January 15, 2002.

Total amount of compensation sought: \$75,000.00

Total amount of expenses sought: \$0.00

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	:	Case No. 00-43911
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**APPLICATION OF CIBC WORLD MARKETS CORP., FINANCIAL ADVISORS
FOR THE OFFICIAL COMMITTEE OF NOTEHOLDERS, FOR ALLOWANCE
OF COMPENSATION FOR SERVICES RENDERED DURING THE PERIOD
NOVEMBER 20, 2001 – JANUARY 15, 2002**

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

1. CIBC World Markets Corp. (“CIBC”), financial advisors to the Official Committee of Noteholders (the “Noteholders’ Committee”) of LTV Steel Company, Inc., *et al.* (collectively, the “Debtors”), which includes the above-captioned Debtor entities (the “Copperweld Debtors”), respectfully submits this application of CIBC World Markets Corp, Financial Advisors for the Official Committee of Noteholders, for Allowance of Compensation for Services Rendered During the Period November 20, 2001 – January 15, 2002 (the

“Application”). The Application is filed pursuant to the Second Amended Joint Plan of Reorganization of Copperweld Corporation and Certain of its Debtor Affiliates (the “Copperweld Plan”), which was approved by the Court on November 17, 2003, and became effective on December 17, 2003.

Background

2. On January 19, 2001, pursuant to Bankruptcy Code Section 1102, the United States Trustee (the “U.S. Trustee”) appointed the Noteholders’ Committee. The Noteholders’ Committee consists of certain holders of and the indenture trustees to the 8.2% senior notes due 2007 and the 11 3/4% senior notes due 2009. Both tranches of senior notes were issued by The LTV Corporation and were guaranteed by certain other Debtors, including the Copperweld Debtors.

3. On March 8, 2001, the Noteholders’ Committee filed its Application of the Official Committee of Noteholders for an Order Authorizing the Nunc Pro Tunc Retention of CIBC World Markets Corp. (“CIBC”) as Financial Advisors (the “CIBC Application”) (see “Exhibit A”). By the CIBC Application, the Noteholders’ Committee requested authority to retain and employ CIBC as financial advisors in these cases and approval of CIBC’s fee structure, pursuant to Sections 328 and 1103(a) of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure.

4. On April 6, 2001, the Court entered an order (the “CIBC Order”) approving the Application, such that CIBC was authorized to receive (a) a flat monthly fee of \$150,000; (b) reimbursement for all of its reasonable out-of-pocket expenses; and (c) indemnification from the Debtors for any losses or liabilities as well as legal expenses arising from the services CIBC provides to the Noteholders’ Committee (except for any losses judicially determined to be the

result of CIBC's gross negligence or willful misconduct) (see "Exhibit B"). The Court deferred to a later date approval of the terms of a "success" fee to CIBC.

5. Pursuant to the CIBC Order, CIBC provided extensive financial advisory services from January 29, 2001 through January 15, 2002.

6. By an order entered on December 7, 2001, the Court authorized the Debtors to implement an asset protection plan (the "APP") to effect the orderly cessation of operations for, and the sale of assets of, the Debtors' integrated steel business segment (the "Integrated Steel Business"). Pursuant to the APP, LTV Steel has sold substantially all of its Integrated Steel Business assets and its tubular products division.

7. Soon after the Court's approval of the APP, the U.S. Trustee met with both the Noteholders' Committee and the Official Committee of Unsecured Creditors (the "Creditors' Committee and together with the Noteholders' Committee, the "Committees") to discuss the ongoing costs of the Committees and whether one or two Committees should exist going forward. The U.S. Trustee also stated that he opposed the continued retention of financial advisors on a monthly flat-fee rate, as opposed to an hourly rate. Based on the U.S. Trustee's insistence that financial advisors could only continue on an hourly, as opposed to monthly, fee basis, the Noteholders' Committee could not utilize CIBC, as CIBC does not enter into hourly fee arrangements. In accordance with these discussions, the Noteholders' Committee has not utilized CIBC since on or about January 15, 2002.

8. In August 2002, it became apparent that the Debtors would either sell the Copperweld Debtors or formulate a stand-alone plan of reorganization for the Copperweld Debtors. As a result, the Noteholders' Committee determined that it would require the assistance of a financial advisor to evaluate the Copperweld Debtors' business plan, conduct valuation analysis of the potential reorganized entities and/or evaluate any potential sale of the Copperweld

Debtors' assets. Therefore, on November 27, 2002, the Noteholders' Committee filed its Motion of the Official Committee of Noteholders for an Order Approving Amended Fee Structure for CIBC World Markets Corp. as Financial Advisors (the "Amended CIBC Motion").

9. On December 17, 2002, a contested hearing was held on the Amended CIBC Motion. The Debtors, General Electric Capital Corporation ("GECC"), the agent to the Copperweld Company's post-petition lenders, and the U.S. Trustee objected to the flat-fee arrangement proposed in the Amended CIBC Motion.

10. On January 17, 2003, the Court approved and authorized the Noteholders' Committee to further use the services of CIBC as the Noteholders' Committee's financial advisors but only on an hourly basis (the "Subsequent CIBC Order"). As CIBC does not provide financial advisory services on an hourly basis, the Noteholders' Committee could not utilize CIBC, notwithstanding the Subsequent CIBC Order. As a result, the Noteholders' Committee filed a Notice of Withdrawal of Motion of the Official Committee of Noteholders for an Order Approving Amended Fee Structure for CIBC World Markets Corp. as Financial Advisors. The Noteholders' Committee subsequently retained KPMG as its financial advisors on an hourly basis.

11. During the course of these cases, CIBC filed monthly and quarterly applications pursuant to 11 U.S.C. §§ 330 and 331, and the Order Establishing Procedures for Interim Compensation and Reimbursement of Chapter 11 Professionals entered by the United States Bankruptcy Court for the Northern District of Ohio Eastern Division on January 31, 2001 (the "Fee Order").

12. As per the Fee Order, CIBC was paid monthly fees (net of holdback amounts), as well as holdbacks when appropriate. For the period January 29, 2001 to November 19, 2001, CIBC sought payment of fees in the amount of \$1,460,000, receiving \$1,438,261.56 of that

amount. As per the Order Approving Third Application of CIBC World Markets Corp., Financial Advisors for the Official Committee of Noteholders, for Interim Allowance of Compensation and for the Reimbursement of Expenses for Services Rendered During the Period September 1, 2001 Through January 15, 2002 (“Third Application Order”), in settlement of an informal objection raised by the Official Committee, CIBC agreed to postpone seeking payment of \$75,000 in fees relating to the period from November 20, 2001 through January 15, 2002 (see “Exhibit C”). CIBC expressly reserved the right to seek allowance and payment of these fees at a later point in these cases, including from the estates of Debtors other than LTV Steel Company, Inc. The Third Application Order was entered pursuant to the Application of CIBC World Markets Corp., Financial Advisors for the Official Committee of Noteholders, for Interim Allowance of Compensation and for the Reimbursement of Expenses for Services Rendered During the Period September 1, 2001 – January 12, 2002 (see “Exhibit D”).

13. The Copperweld Plan explicitly outlines procedures for professionals asserting fee claims for services rendered to the Copperweld Debtors that are “reasonably allocable” to those Debtor entities. Given that the substantial portion of services rendered by CIBC to the Noteholders Committee during the period covered by the Application were on matters relating to the Copperweld Debtors (including such tasks as valuation of the Copperweld Debtors’ assets and evaluation of the Copperweld Debtors’ debtor-in-possession financing facility), CIBC respectfully asserts that such unpaid fees are “reasonably allocated” to the Copperweld Debtors and should be paid from those Debtor estates.

14. Accordingly, CIBC respectfully requests that the Court authorize and direct the payment of \$75,000 by the Copperweld Debtors to CIBC for services rendered during the Application period relating to the administration of the Copperweld Debtors’ estates.

Submitted this 11th day of February 2004.

Respectfully submitted,
CIBC WORLD MARKETS CORP.

By: Heather L. Barlow

Heather L. Barlow
Executive Director
425 Lexington Avenue
New York, NY 10017

FINANCIAL ADVISOR FOR THE
OFFICIAL COMMITTEE OF
NOTEHOLDERS OF LTV STEEL
COMPANY, INC., ET AL.

Sworn to before me this
11th day of February

Judith Chaitow
Notary Public

JUDITH CHAITOW
Notary Public, State of New York
No. 31-4689789
Qualified in New York County
Commission Expires February 28, 2006