

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

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**

**TENTH INTERIM AND FIRST FINAL APPLICATION OF
JONES DAY FOR FINAL ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR SERVICES PERFORMED FOR
THE LTV CORPORATION AND CERTAIN OF ITS AFFILIATED DEBTORS**

Name of applicant: Jones Day

Authorized to provide professional services to: The above-captioned debtors and debtors in possession

Date of retention: December 29, 2000

Period for which compensation and reimbursement is sought: January 1, 2004 through January 22, 2004 (Tenth Interim)
December 29, 2000 through January 22, 2004 (First Final)

Amount of compensation requested: \$177,309.35 (Tenth Interim)
\$16,472,007.10 (First Final)

Amount of expense reimbursement requested: \$12,646.28 (Tenth Interim)
\$1,622,991.90 (First Final)

This is an: interim first final application

A summary of the billing rate for each professional and paraprofessional who billed time during the period for which compensation and reimbursement is sought and the total hours and amount billed for each such person is attached to this Application as Exhibit C and incorporated herein by reference. Jones Day professionals and paraprofessionals devoted time to preparing this Application after January 22, 2004. Compensation for this time and reimbursement of related expenses will be sought pursuant to the Order Authorizing LTV Steel Company, Inc. and Georgia Tubing Corporation to Establish Distribution and Dismissal Procedures and Granting Certain Related Relief (D.I. 7163), dated December 23, 2004.

Attorneys' blended hourly rate during the compensation period: \$325.43 (Tenth Interim)
\$286.37 (First Final)

Period Covered	Fees Requested	Fees Awarded	Expenses Requested	Expenses Awarded	Date Fees and Expenses Awarded
1 st Interim ¹ (12/29/00-4/30/01)	\$3,038,755.50	\$2,994,799.65	\$304,601.85	\$281,008.62	11/3/01
		\$15,797.60		\$9,074.17	8/21/02

¹ Jones Day voluntarily accepted a reduction of \$28,158.25 in fees and \$14,519.06 in expenses with respect to the first interim fee application, leaving a \$0.00 balance for the first interim period.

2 nd Interim ² (5/1/01-8/31/01)	\$2,614,818.05	\$2,542,818.05	\$315,900.75	\$314,834.05	12/7/01
		\$62,000.00		\$882.55	8/21/02
3 rd Interim ³ (9/1/01-12/31/01)	\$2,481,313.85	\$2,481,313.85	\$252,624.89	\$252,624.89	11/4/02
4 th Interim (1/1/02-4/30/02)	\$2,482,214.65	\$2,482,214.65	\$222,270.84	\$222,270.84	10/22/02
5 th Interim (5/1/02-8/31/02)	\$1,166,157.15	\$1,166,157.15	\$155,367.64	\$155,367.64	11/27/02
6 th Interim (9/1/02-12/31/02)	\$1,162,301.65	\$1,162,301.65	\$108,878.31	\$108,878.31	3/28/03
7 th Interim (1/1/03-4/30/03)	\$1,311,841.35	\$1,311,841.35	\$90,847.78	\$90,847.78	7/23/03
8 th Interim (5/1/03-8/31/03)	\$1,235,158.00	\$1,235,158.00	\$87,164.97	\$87,164.97	12/10/03
9 th Interim (9/1/03-12/31/03)	\$1,201,307.69	Hearing on 9 th interim fee application to be heard on 3/23/04	\$103,739.21	Hearing on 9 th interim fee application to be heard on 3/23/04	

² Jones Day voluntarily accepted a reduction of \$13,917.00 in fees and \$1,406.75 in expenses with respect to the second interim fee application. Certain fees and expenses in the amount of \$78,129.78 have not been paid with respect to the second interim period.

³ Certain fees and expenses in the amount of \$28,536.64 have not been paid with respect to the third interim fee application.

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

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**

**TENTH INTERIM AND FIRST FINAL APPLICATION OF
JONES DAY FOR FINAL ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR SERVICES PERFORMED FOR
THE LTV CORPORATION AND CERTAIN OF ITS AFFILIATED DEBTORS**

Dated: March 22, 2004

David G. Heiman (0038271)
dgheiman@jonesday.com
Heather Lennox (0059649)
hlennox@jonesday.com
Nicholas M. Miller (0069393)
nmmiller@jonesday.com
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Phone: (216) 586-3939
Facsimile: (216) 579-0212

Jeffrey B. Ellman (OH 0055558)
jbellman@jonesday.com
JONES DAY
3500 SunTrust Plaza
303 Peachtree Street, N.E.
Atlanta, Georgia 30308-3242
Phone: (404) 521-3939
Facsimile: (404) 581-8330

ATTORNEYS FOR DEBTORS
AND DEBTORS IN POSSESSION

TABLE OF CONTENTS

	Page
BACKGROUND	6
General Background	6
Jones Day's Retention	9
Incorporation of Prior Fee Applications	9
RELIEF REQUESTED.....	15
Authority for Relief.....	15
Request for Interim and Final Allowance of Compensation and Reimbursement of Expenses.....	16
Monthly Statements and Prior Payments to Jones Day	18
Description of Services Rendered by Jones Day	20
Description of Expenses Incurred.....	28
Adjustment to Fees and Expenses.....	30
LEGAL ARGUMENT	31
Applicable Legal Standards	31
Jones Day's Fees Are Reasonable.....	32
Jones Day's Expenses Were Actual and Necessary	33
Review by the LTV Debtors.....	33
No Sharing of Compensation.....	33
Certification	34
NOTICE.....	34

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

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**

**TENTH INTERIM AND FIRST FINAL APPLICATION OF
JONES DAY FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR SERVICES PERFORMED FOR
THE LTV CORPORATION AND CERTAIN OF ITS AFFILIATED DEBTORS**

Jones Day f/k/a Jones, Day, Reavis & Pogue ("Jones Day"), counsel to the above-captioned debtors and debtors in possession (collectively, the "Debtors"), hereby makes (i) its tenth application for interim allowance of compensation of \$177,309.35 and reimbursement of related expenses of \$12,646.28 for services performed for Debtor The LTV Corporation ("LTV") and certain of its affiliated Debtors (collectively with LTV, the "LTV Debtors")¹ for the period from January 1, 2004 through January 22, 2004 (the "Tenth Compensation Period") and (ii) its first application for final allowance of compensation of \$16,472,007.10 and reimbursement of related expenses of \$1,622,991.90 for services performed for the LTV Debtors for the period from December 29, 2000 through January 22, 2004 (the "Combined Compensation Period").² As described in greater detail herein, by this Application, Jones Day does not seek interim or final

¹ Specifically, the LTV Debtors are comprised of the Debtors other than the Copperweld Debtors and the VP Debtors (as such terms are defined below).

² The Combined Compensation Period is comprised of (a) the Tenth Compensation Period and (b) the nine prior interim compensation periods between December 29, 2000 through December 31, 2003 (collectively, the "Prior Compensation Periods") for which Jones Day previously has filed and obtained approval of interim fee applications for services performed for the LTV Debtors and other Debtors in these cases.

approval of fees on expenses for services performed for non-LTV Debtors. In support of this Application, Jones Day respectfully represents as follows:

PRELIMINARY STATEMENT

From the outset of these cases, the LTV Debtors have demonstrated their commitment to maximizing the value of their estates for the benefit of their creditors in these chapter 11 cases, which are part of the largest, and among the most complex, ever filed in this Court. After commencing their chapter 11 cases, the LTV Debtors determined that their goal of maximizing the value of their estates — in the face of what ultimately proved to be an unsustainable business — required the cessation of business operations and the liquidation of estate assets. As counsel to the LTV Debtors, Jones Day played a central role in assisting the LTV Debtors in obtaining court approval for the critical components of the LTV Debtors', initially, reorganization and, ultimately, liquidation efforts.

The LTV Debtors began to focus their efforts on liquidating their assets from the time that the APP Motion³ was filed in November 2001. On December 7, 2001, the Court entered an order authorizing the Debtors to implement an asset protection plan (the "APP") providing for, among other things, the shutdown of the integrated steel business of Debtor LTV Steel Company, Inc. ("LTV Steel"). Although painful, the implementation of the APP was successful — in fact, significantly more so than was originally anticipated. With Jones Day's assistance, LTV Steel's liquidation of its working capital, together with the Integrated Steel Sale

³ The "APP Motion" refers to the Motion of Debtors and Debtors in Possession for an Order, Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code: (A) Approving an Asset Protection Plan for the Integrated Steel Business; (B) Authorizing Them to Take Any and All Actions Necessary or Appropriate to Implement the Asset Protection Plan; (C) Providing Relief from Certain Notice Periods; (D) Providing Certain Protection in Connection with the Approval and Implementation of the Asset Protection Plan; (E) Approving Employee Retention Plan; (F) Authorizing the Rejection of Certain Executory Contracts and Unexpired Leases; and (G) Approving Procedures for the Expedited Rejection of Executory Contracts and Unexpired Leases, filed on November 20, 2001 (D.I. 1908).

and the LTV Tubular Sale (as such terms are defined below), and other miscellaneous asset sales completed by LTV Steel during and after the APP period (collectively, the "LTV Steel Asset Sales") provided cash to LTV Steel's estate and resulted in the assumption by third parties of hundreds of millions of dollars in environmental and other liabilities, thus relieving LTV Steel's estate of those liabilities. Significantly, as a result of the LTV Steel Asset Sales, on December 10, 2002, the Debtors' postpetition lenders were paid in full, and the debt under the postpetition financing facility was retired. In addition, LTV Steel successfully defended and ultimately resolved several appeals of the order of this Court allocating the net proceeds of the Integrated Steel Sale (the "Allocation Order"), which order resulted in the LTV Steel estate's receipt of approximately \$42 million in unencumbered funds.

The LTV Debtors, with Jones Day's assistance, continued their liquidation efforts upon the entry of the Court's February 11, 2003 order authorizing the LTV Debtors to implement a plan to wind down LTV Steel's estate (the "Winddown Plan"). Notwithstanding the success of the APP, the LTV Debtors determined that they had insufficient cash to pay all administrative claimants in full and, therefore, could not confirm a plan of reorganization or liquidation. Accordingly, through the Winddown Plan, LTV Steel (a) completed the sale activities initiated during the APP; (b) sold or otherwise liquidated LTV Steel's remaining nonoperating assets (collectively, the "Remaining Assets"), including disposing of all Remaining Assets for which there were no willing buyers; (c) collected amounts due to LTV Steel, including prosecuting certain preference avoidance actions that LTV Steel had in favor of its estate; (d) resolved outstanding litigation and appeals pending before this Court and other courts; (e) resolved intercompany claims and administrative expense claims filed against LTV Steel's estate; and (f) made initial distributions to the holders of allowed claims specified in subparagraph (e).

The efficient administration of the LTV Debtors' cases, including the implementation of the APP and Winddown Plan for extraordinarily large, exceedingly complex and far-flung estates and assets, required the coordinated and dedicated efforts of numerous Jones Day bankruptcy, finance, securities, corporate, tax, litigation and employee benefits attorneys over the course of these cases to address the myriad of issues faced by the LTV Debtors. These attorneys worked closely with the LTV Debtors' management and the other key constituencies in these cases to ensure that the LTV Debtors' reorganization and, ultimately, liquidation efforts moved forward expeditiously and, to the fullest extent possible, on a consensual basis with all of the LTV Debtors' major stakeholders.

Jones Day took a leading role in the day-to-day administration of the LTV Debtors' chapter 11 cases in an effort to minimize the adverse impact of the LTV Debtors' chapter 11 filings on the operation of the LTV Debtors' businesses and estates. For example, upon the commencement of these cases, Jones Day assisted the LTV Debtors in stabilizing their businesses and achieving a "soft landing" in chapter 11 through a series of motions in the initial weeks of these cases to address a variety of specific business concerns. Among other things, these motions and related activities permitted the LTV Debtors to (a) pay prepetition employee wages and benefits without interruption, (b) honor prepetition obligations to customers necessary to preserve key business relationships, (c) pay the prepetition claims of critical vendors and service providers essential to the continued operation of the LTV Debtors' businesses, (d) establish and maintain essential cash management procedures, (e) determine adequate assurance of payment of future utility services, (f) continue their workers' compensation insurance programs and (g) resolve numerous other important administrative issues.

Throughout these cases, Jones Day also assisted the LTV Debtors in numerous other matters necessary to comply with the LTV Debtors' obligations as debtors in possession under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the "Bankruptcy Code"), and to accomplish the LTV Debtors' goal of maximizing the value of their estates for the benefit of all stakeholders. For example, during the postpetition period, Jones Day assisted the LTV Debtors in rejecting certain burdensome executory contracts and unexpired nonresidential real property leases to mitigate ongoing losses at certain of the LTV Debtors' operating facilities. In addition, Jones Day assisted the LTV Debtors in preserving certain core assets in connection with the APP by, among other things, obtaining approval for the assumption and assignment of critical executory contracts and unexpired leases.

During these cases, Jones Day also devoted significant time to, among other things, the following: (a) assisting in the preparation of voluminous schedules of assets and liabilities, statements of financial affairs and other documents required by the Court or the United States Trustee for the Northern District of Ohio (the "U.S. Trustee"); (b) implementing procedures to administer the claims process in these cases, including by assisting in the analysis and reconciliation of the thousands of claims asserted against the LTV Debtors' estates and the prosecution and resolution of objections with respect to certain of these claims; (c) addressing and resolving requests for relief from the automatic stay imposed by section 362 of the Bankruptcy Code and other requests by creditors for relief from the Court; (d) completing the steps necessary for the LTV Debtors to retain estate professionals and resolve other issues relating to the retention and payment of professionals; and (e) addressing numerous other bankruptcy, corporate and employee benefit issues that arose in the ordinary course of the LTV Debtors' businesses during the pendency of these cases.

In sum, Jones Day's services in connection with the foregoing matters and the other matters described in this Application and in the Prior Applications (as such term is defined below) demonstrate the extent and breadth of Jones Day's services requested by the LTV Debtors so that they could achieve their business and legal objectives in these cases. Jones Day believes that its efforts on these various matters were instrumental in (a) addressing the various issues that arose in these enormous and exceedingly complex cases and (b) maximizing the value of the LTV Debtors' estates to the extent possible under the business circumstances for the direct benefit of their creditors and claimants. Because of the substantial assistance that Jones Day has rendered thus far to the LTV Debtors in these cases, Jones Day is entitled to the interim and the first final allowance of the fees and reimbursement of the expenses requested herein.

BACKGROUND

General Background

1. On December 29, 2000 (the "Petition Date"), LTV Steel and 48 of its affiliates commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On February 8, 2002, two additional Debtors commenced their respective chapter 11 cases. By orders entered on the Petition Date and March 26, 2002, the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

2. The LTV Debtors are continuing in possession of their respective properties as debtors in possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. On January 10, 2001, the U.S. Trustee appointed a statutory committee of unsecured creditors (the "Unsecured Creditors' Committee") in the Debtors' chapter 11 cases, pursuant to section 1102 of the Bankruptcy Code. On January 19, 2001, the U.S. Trustee

appointed a statutory committee of noteholders in the Debtors' chapter 11 cases, pursuant to section 1102 of the Bankruptcy Code (the "Noteholders' Committee"). On February 27, 2003, the U.S. Trustee appointed an amended committee of administrative creditors (the "Administrative Claimants' Committee") in the chapter 11 case of LTV Steel. On March 27, 2003, the U.S. Trustee filed its notice of disbandment of the Unsecured Creditors' Committee (D.I. 5485).

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. LTV, a Delaware corporation, is the direct parent of LTV Steel and was the direct or indirect parent of each of the other Debtors.

6. As of the Petition Date, the Debtors operated through two primary business segments: (a) the integrated steel business segment, which engaged in the manufacture and sale of a diversified line of carbon flat-rolled steel products consisting of hot-rolled and cold-rolled sheet and galvanized products (the "Integrated Steel Business"); and (b) the metal fabrication business segment, which engaged in, among other things, the manufacture and sale of (i) mechanical and structural tubular products, (ii) pipe and conduit, (iii) bimetallic wire and (iv) automotive components.

7. By an order entered on September 4, 2001, the Court authorized the Debtors to sell the assets of Debtors VP Buildings, Inc. ("VP Buildings"), VP-Graham, Inc., Varco Pruden International, Inc. and United Panel, Inc. (the "VP Buildings Sale"). By orders entered on December 7, 2001 and August 30, 2002, the Court authorized the Debtors to implement the APP through and including December 13, 2002 to effect the orderly cessation of operations for, and the sale of assets of, the Debtors' Integrated Steel Business. By an order

entered on February 28, 2002, the Court approved the sale of substantially all of the assets of the Integrated Steel Business (the "Integrated Steel Sale") to WLR Acquisition Co. n/k/a International Steel Group, Inc. The closing of the Integrated Steel Sale transactions occurred on April 12, 2002 (for the hard assets) and May 13, 2002 (for the inventory)

8. On November 7, 2002, the Court entered an order approving the sale of the assets of the LTV tubular division of LTV Steel (the "LTV Tubular Business"). The closing of the sale of the LTV Tubular Business occurred on December 31, 2002. The Debtors currently are winding down LTV Steel's estate and making distributions to holders of allowed administrative claims pursuant to orders entered on February 11, 2003 (D.I. 5286) and December 23, 2003 (D.I. 7163).

9. On November 17, 2003, the Court entered an order (D.I. 6926) confirming the Second Amended Joint Plan of Reorganization of Copperweld Corporation and Certain of Its Debtors Affiliates, as modified (the "Copperweld Plan"). On December 17, 2003, the Copperweld Plan became effective in accordance with its terms, and Copperweld Corporation and its affiliates that were proponents of the Copperweld Plan (collectively, the "Copperweld Debtors")⁴ emerged from chapter 11.

10. On December 17, 2003, the Court entered an order (D.I. 7136) confirming the First Amended Joint Plan of Liquidation of VP Buildings, Inc., Its Subsidiary Debtors and Certain of Its Debtor Affiliates (the "VP Plan"), filed by VP Buildings and certain of its affiliated

⁴ Specifically, the Copperweld Debtors are comprised the following Debtors: Copperweld Corporation, Copperweld Bimetallics Products Company, Copperweld Equipment Company, Copperweld Marketing & Sales Company, Copperweld Tubing Products Company, Metallon Materials Acquisition Corporation, Miami Acquisition Corporation, Southern Cross Investment Company, TAC Acquisition Corporation, Welded Tube Co. of America and Welded Tube Holdings, Inc.

Debtors (collectively, the "VP Debtors").⁵ On March 8, 2004, the VP Plan became effective in accordance with its terms.

Jones Day's Retention

11. On January 10, 2001, the Debtors filed their application to retain and employ Jones Day as their counsel (the "Retention Application"). On February 6, 2001, the Court entered an order (D.I. 376) (the "Retention Order") authorizing the retention of Jones Day as the Debtors' counsel to perform any and all necessary or appropriate legal services on behalf of the Debtors in connection with these chapter 11 cases, *nunc pro tunc* as of the Petition Date. A copy of the Retention Order is attached hereto as Exhibit A and incorporated herein by reference. As described in the Retention Application, Jones Day charges for its services in these cases in accordance with its ordinary and customary hourly rates in effect on the dates that services are rendered. These rates are identical to those charged by Jones Day for similar services in other bankruptcy and nonbankruptcy matters.

Incorporation of Prior Fee Applications

12. As identified on the cover sheet attached to this Application, and as set forth in greater detail below, Jones Day has filed nine prior applications for interim allowance of compensation and reimbursement of expenses for services performed for the Debtors for the period December 29, 2000 through December 31, 2003 (collectively, the "Prior Applications"),⁶ requesting interim allowance of fees and reimbursement of expenses for the Prior Compensation

⁵ Specifically, the VP Debtors are comprised of the following Debtors: VP Buildings, Inc., United Panel, Inc., Varco Pruden International, Inc., VP-Graham, Inc., LTV Blanking Corporation, LTV Steel De Mexico, Ltd. and LTV-Walbridge, Inc.

⁶ The Prior Applications are found at the following docket entries: D.I. 1197, D.I. 1819, D.I. 2772, D.I. 4150, D.I. 4704, D.I. 5318, D.I. 5756, D.I. 6663 and D.I. 7444.

Periods. In support of the final allowance of fees and reimbursement of expenses sought in this Application, Jones Day incorporates the Prior Applications herein by reference.

13. In addition, pursuant to the Interim Compensation Order, professionals in these chapter 11 cases are authorized to submit a statement of fees and expenses (a "Monthly Statement") to the Debtors for payment on a monthly basis. The Debtors are directed to pay 80% of the fees requested in a professional's Monthly Statement and 100% of the expenses incurred, unless one of the Notice Parties (as such term is defined in the Interim Compensation Order) objects to the Monthly Statement within 15 days after service of the Monthly Statement. The remaining 20% of the professional fees requested in the Monthly Statement (or such greater amount of fees and expenses subject to an objection) are held back until a hearing on allowance of such fees, at which time they become payable to the extent allowed by the Court.

14. On February 12, 2004, Jones Day filed the Ninth Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period September 1, 2003 Through December 31, 2003 (D.I. 7444) (the "Ninth Interim Fee Application"). By the Ninth Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from September 1, 2003 through December 31, 2003 (the "Ninth Compensation Period") for services performed for all Debtors other than the Copperweld Debtors.⁷ The Monthly Statements submitted by Jones Day with respect to the Ninth Compensation Period are described in the Ninth Interim Fee Application. On March 23, 2004, the Court will conduct a hearing with respect to the Ninth Interim Fee Application.

⁷ With respect to services performed for the Copperweld Debtors, on February 12, 2004, Jones Day filed the Ninth Interim and Final Application of Jones Day for Final Allowances of Compensation and Reimbursement of Expenses for Services Performed for Copperweld Corporation and Certain of Its Affiliated Debtors (D.I. 7442), which is scheduled to be heard on March 23, 2004.

15. During the Ninth Compensation Period, on October 16, 2003, Jones Day filed the Eighth Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period May 1, 2003 Through August 31, 2003 (D.I. 6663) (the "Eighth Interim Fee Application").⁸ By the Eighth Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from May 1, 2003 through August 31, 2003 (the "Eighth Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Eighth Compensation Period are described in the Eighth Interim Fee Application. On December 10, 2003, the Court entered an order (D.I. 7087) with respect to the Eighth Interim Fee Application approving an interim allowance of compensation of \$2,091,785.55 and reimbursement of related expenses of \$123,009.88.

16. During the Eighth Compensation Period, on June 17, 2003, Jones Day filed the Seventh Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period January 1, 2003 Through April 30, 2003 (D.I. 5756) (the "Seventh Interim Fee Application"). By the Seventh Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from January 1, 2003 through April 30, 2003 (the "Seventh Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Seventh Compensation Period are described in the Seventh Interim Fee Application. On July 23, 2003, the Court entered an order (D.I. 5886) with

⁸ The Eighth Interim Fee Application and all prior interim fee applications included fees allocable to the Copperweld Debtors, the VP Debtors and the LTV Debtors. From and after December 7, 2001, the interim fee applications segregated fees and expenses among these three groups of Debtors. As described below, however, Jones Day has reviewed these prior applications and has attempted to segregate the fees and expenses attributable to the VP Buildings Sale (the "VP Sale Fee and Expenses") to the VP Debtors. Accordingly, a final allowance of the VP Sale Fees and Expenses is not sought by this First Final Fee Application.

respect to the Seventh Interim Fee Application approving an interim allowance of compensation of \$1,606,534.55 and reimbursement of related expenses of \$100,413.63.

17. During the Seventh Compensation Period, on February 19, 2003, Jones Day filed the Sixth Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period September 1, 2002 Through December 31, 2002 (D.I. 5318) (the "Sixth Interim Fee Application"). By the Sixth Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from September 1, 2002 through December 31, 2002 (the "Sixth Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Sixth Compensation Period are described in the Sixth Interim Fee Application. On March 28, 2003, the Court entered an order (D.I. 5496) with respect to the Sixth Interim Fee Application approving an interim allowance of compensation of \$1,616,784.45 and reimbursement of related expenses of \$131,979.03.

18. During the Sixth Compensation Period, on November 1, 2002, Jones Day filed the Fifth Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period May 1, 2002 Through August 31, 2002 (D.I. 4704) (the "Fifth Interim Fee Application"). By the Fifth Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from May 1, 2002 through August 31, 2002 (the "Fifth Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Fifth Compensation Period are described in the Fifth Interim Fee Application. On November 27, 2003, the Court entered an order (D.I. 4866) with respect to the Fifth Interim Fee Application approving an interim allowance of compensation of \$2,124,228.30 and reimbursement of related expenses of \$211,486.48.

19. During the Fifth Compensation Period, on June 27, 2002, Jones Day filed the Fourth Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period January 1, 2002 Through April 30, 2002 (D.I. 4150) (the "Fourth Interim Fee Application"). By the Fourth Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from January 1, 2002 through April 30, 2002 (the "Fourth Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Fourth Compensation Period are described in the Fourth Interim Fee Application. On October 22, 2002, the Court entered an order (D.I. 4669) with respect to the Fourth Interim Fee Application approving an interim allowance of compensation of \$3,047,528.20 and reimbursement of related expenses of \$297,941.51.

20. During the Fourth Compensation Period, on April 3, 2002, Jones Day filed the Third Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period September 1, 2001 Through December 31, 2001 (D.I. 2772) (the "Third Interim Fee Application"). By the Third Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from September 1, 2001 through December 31, 2001 (the "Third Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Third Compensation Period are described in the Third Interim Fee Application. On November 4, 2002, the Court entered an order (D.I. 4735) with respect to the Third Interim Fee Application approving an interim allowance of compensation of \$2,537,982.35 and reimbursement of related expenses of \$256,277.35.

21. During the Third Compensation Period, on October 24, 2001, Jones Day filed the Second Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period May 1, 2001 Through August 31, 2001 (D.I. 1819)

(the "Second Interim Fee Application"). By the Second Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from May 1, 2001 through August 31, 2001 (the "Second Compensation Period"). The Monthly Statements submitted by Jones Day with respect to the Second Compensation Period are described in the Second Interim Fee Application. On December 7, 2001 (D.I. 2080), and August 21, 2002 (D.I. 4320), the Court entered orders with respect to the Second Interim Fee Application approving an interim allowance of (i) compensation of \$2,542,818.05 and reimbursement of related expenses of \$314,834.05, pursuant to Order Granting Second Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period May 1, 2001 Through August 31, 2001 (the "Second Interim Fee Application Order"); and (ii) additional fees of \$62,000.00 and expenses of \$882.55, pursuant to Order Awarding Interim Allowance of Fees and Expenses That Were Subject to Pending Objections from First and Second Prior Fee Applications (the "Supplemental Fee Application Order").

22. Prior to the Second Compensation Period, Jones Day filed the First Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period December 29, 2000 Through April 30, 2001 (D.I. 1197) (the "First Interim Fee Application"). By the First Interim Fee Application, Jones Day sought interim allowance of fees and reimbursement of expenses for the period from the Petition Date through April 30, 2001 (the "First Compensation Period" and, together with the Second Compensation Period, the Third Compensation Period, the Fourth Compensation Period, the Fifth Compensation Period, the Sixth Compensation Period, the Seventh Compensation Period, the Eighth Compensation Period, the Ninth Compensation Period and the Tenth Compensation Period, the "Compensation Periods"). The Monthly Statements submitted by Jones Day with

respect to the First Compensation Period are described in the First Interim Fee Application. On November 13, 2001 (D.I. 1850), and August 21, 2002 (D.I. 4320), the Court entered orders with respect to the First Interim Fee Application approving an interim allowance of (i) compensation of \$2,994,799.65 and reimbursement of related expenses of \$281,008.62, pursuant to the Order Granting First Application of Jones Day for Interim Allowance of Compensation and Reimbursement of Expenses for the Period December 29, 2000 Through April 30, 2001 (the "First Interim Fee Application Order"); and (ii) additional fees of \$15,797.60 and expenses of \$9,074.17, pursuant to the Supplemental Fee Application Order.

RELIEF REQUESTED

Authority for Relief

23. Jones Day makes this Application pursuant to the following:

(a) sections 330(a) and 331 of the Bankruptcy Code; (b) Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"); (c) 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, dated January 31, 2001 (D.I. 334) (the "Interim Compensation Order"); (d) certain applicable provisions of the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted by the Office of the U.S. Trustee (the "Guidelines"); (e) General Order 93-1 of the United States Bankruptcy Court for the Northern District of Ohio ("Local Rule 93-1"); and (f) the Order Authorizing LTV Steel Company, Inc. and Georgia Tubing Corporation to Establish Distribution and Dismissal Procedures and Granting Certain Related Relief (D.I. 7163) (the "Distribution and Dismissal Procedures Order"), dated December 23, 2003. A copy of the Interim Compensation Order is attached hereto as Exhibit B-1 and incorporated

herein by reference. A copy of the Distribution and Dismissal Procedures Order is attached hereto as Exhibit B-2 and incorporated herein by reference.

24. By the Distribution and Dismissal Procedures Order, the Court established the schedule and process for filing first final fee applications and subsequent fee applications. Specifically, the order provides that:

Establishment of Bar Date for Professional Fee Applications. A bar date for filing final fee applications (the "Final Fee Application Bar Date") for all retained professionals for the period from the Petition Date and ending on the Initial Distribution Date (the "First Final Fee Application Bar Date") shall be established as the date that is 60 days after the Initial Distribution Date, or March 1, 2004, whichever is later, for professional fees and expenses rendered to the LTV Steel Debtors and The LTV Corporation, for which no plan of reorganization or liquidation will be filed in these cases. . . . After the Court has made a determination on the Final Fee Application, any professional fees or expenses awarded for the period up to and including the Initial Distribution Date shall be considered final awards. All professionals shall continue to file interim and final fee applications pursuant to the Bankruptcy Code and applicable Orders of the Court for all fees and expenses incurred from and after the Initial Distribution Date.

Distribution Dismissal Procedures Order at ¶ 2(f).

Request for Interim and Final Allowance of Compensation and Reimbursement of Expenses

25. Jones Day hereby seeks interim and final allowance of compensation and reimbursement of expenses for the Tenth Compensation Period as follows:

- a. Compensation of \$177,309.35 in connection with services rendered during the Tenth Compensation Period. Jones Day has identified each of its professionals and paraprofessionals who provided services to the Debtors during the Tenth Compensation Period and their respective hourly rates (both collectively and by billing category) on the professional summaries attached hereto collectively as Exhibit C and incorporated herein by reference. A summary of the total hours incurred and fees

charged for each billing category — along with the related time detail — is attached hereto collectively as Exhibit D-1 and incorporated herein by reference; and

b. Reimbursement of actual and necessary expenses of \$12,646.28 incurred in connection with Jones Day's services. A summary and itemization of these expenses is attached hereto as Exhibit E-1 and incorporated herein by reference.

26. In addition, Jones Day hereby seeks final allowance of compensation and reimbursement of expenses for the Combined Compensation Period as follows:

a. Compensation of \$16,472,007.10 in connection with services rendered during the Combined Compensation Period. Jones Day has summarized each professional's and paraprofessional's status and hourly billing rate for each month of the Combined Compensation Period in Exhibit C to this Application and in similar schedules attached as Exhibit C to the Prior Applications. A summary of the total hours incurred and fees charged for each major project for the Tenth Compensation Period and each of the Prior Compensation Periods are set forth on Exhibit D-2 to this application and in similar schedules attached as part of Exhibit D to the Prior Applications. Likewise, the supporting monthly time detail for each month of the Tenth Compensation Period is included in Exhibit D to this Application. The supporting time detail for each month of the Prior Compensation Periods is included in Exhibit D to the Prior Applications;

b. Reimbursement of actual and necessary expenses of \$1,622,991.90 in connection with Jones Day's services during the Combined Compensation Period. Summaries and itemizations of these expenses incurred during the Tenth Compensation Period are set forth in Exhibit E-1 to this Application. Summaries and itemizations of

these expenses incurred during the Prior Compensation Periods are set forth in Exhibit E to the Prior Applications; and

c. Despite Jones Day's best efforts, it is possible that invoices for certain of its expenses attributable to the Combined Compensation Periods may not be available until after the hearing on this First Final Fee Application, and these expenses thus may remain unliquidated at the time this Application is heard. Accordingly, Jones Day will seek interim and final allowance of these expenses in future fee applications.

Monthly Statements and Prior Payments to Jones Day

27. Prior to the Petition Date, the Debtors (through LTV) paid to Jones Day: (a) actual fees and expenses of \$531,135.47 for services rendered by Jones Day during October 2000 and November 2000; (b) \$1,250,000.00 as a payment for estimated, rather than actual, prepetition fees and expenses for services rendered by Jones Day in December 2000 (the "Estimated Payment"); and (c) a retainer of \$250,000.00 (the "Retainer") for services rendered or to be rendered by Jones Day to the Debtors. On April 2, 2001, in accordance with the terms of the Retention Order, Jones Day filed the Disclosure of Jones Day with Respect to Reconciliation of Prepetition Fees and Expenses (D.I. 806) (the "Reconciliation Statement"), which identified (a) Jones Day's reconciliation, through April 2, 2001, of prepetition fees and expenses actually incurred through December 28, 2000; and (b) the corresponding adjustments made to the amount of the Estimated Payment. The amount of the Estimated Payment held by Jones Day for payment of postpetition fees and expenses, after the adjustments described in the Reconciliation Statement, aggregates \$646,905.07 (the "Additional Adjusted Retainer").⁹ Jones

⁹ The Reconciliation Statement incorrectly identified the Additional Adjusted Retainer as \$676,305.03 instead of \$646,905.07.

Day intends to apply the Retainer and the Additional Adjusted Retainer to any unpaid fees and expenses approved on a final basis pursuant to this Application.

28. In the Prior Applications, Jones Day sought payment of \$16,693,867.80 in fees and reimbursement of \$1,641,396.24 in expenses for services provided to the LTV Debtors during the Prior Compensation Periods. By the Prior Fee Application Orders, the Court granted the fees and expenses requested in the Prior Applications in the aggregate amount of \$16,977,355.17 (the "Approved Fees and Expenses"). All of the Approved Fees and Expenses have been paid except for \$78,129.78 from the Second Compensation Period, which amount was incurred but not paid prior to the commencement of the APP.

29. Jones Day also has submitted the following Monthly Statement to the LTV Debtors with respect to the Tenth Compensation Period: For January 1, 2004 through January 22, 2004 — fees of \$177,309.35 and expenses of \$12,646.28. As of the date of this Application, none of the Notice Parties has objected to Jones Day's Monthly Statement for the Tenth Compensation Period.

30. During the Compensation Periods and thereafter through March 19, 2004, Jones Day received the payments identified on Exhibit F on account of work performed for the LTV Debtors. In total, therefore, Jones Day has received payments from the LTV Debtors aggregating \$17,935,474.64 on account of fees and expenses incurred in connection with these cases through March 19, 2004.¹⁰ None of the foregoing payments has been shared by Jones Day

¹⁰ Except for payments in respect of the VP Sale Fees and Expenses, Exhibit F does not reflect payments made on account of services provided to (a) the Copperweld Debtors, which have been included in the Copperweld Application or (b) the VP Debtors, which will be included in a final fee application to be filed in the chapter 11 cases of the VP Debtors. The VP Debtors will seek final approval for the VP Sale Fees and Expenses in the final fee application to be filed pursuant to the terms of the VP Plan.

with any other party, nor are these or any other payments subject to a sharing agreement between Jones Day and any third party.

31. Except as described in paragraphs 27 through 30 above, Jones Day did not receive any payments or promises of payments during the Compensation Periods from any source for services rendered or to be rendered to the LTV Debtors in connection with these chapter 11 cases.

Description of Services Rendered by Jones Day

32. As described in the attached Exhibit D, Jones Day's professionals and paraprofessionals billed their time during the Tenth Compensation Period to 18 distinct project billing categories. Below is a summary of the primary activities performed by Jones Day for the LTV Debtors during the Tenth Compensation Period in each of those billing categories.

Although this summary is intended to highlight areas of particular importance in these cases, a complete description of all such activities is found in the contemporaneous, daily time records included in the attached Exhibit D. A detailed summary of the activities performed by Jones Day for the LTV Debtors during the Prior Compensation Periods is included in the Prior Applications and the exhibits thereto, which have been incorporated herein by reference.

Case Administration (82.40 hours; \$8,264.40)

33. Due to the size and complexity of the LTV Debtors' bankruptcy cases, daily case administration matters necessarily required substantial attention from Jones Day during the Tenth Compensation Period. These case administration activities included the following:

- Jones Day professionals attended and participated in regular conference calls and meetings with the LTV Debtors' management and other professionals to discuss and review open case issues, including pending motions and applications and other legal work in process. In addition, Jones Day assisted the LTV Debtors in maintaining open lines of communication with the other key constituencies in

these cases, including the U.S. Trustee and the Administrative Claimants' Committee.

- Jones Day reviewed and analyzed all of the more than 159 pleadings filed and orders entered in these cases during the Tenth Compensation Period, as well as correspondence and other documents received on a regular basis from numerous parties in interest.
- Jones Day maintained a detailed work in process report, which was distributed on a regular basis to the LTV Debtors' management and professionals (including Jones Day lawyers), to (a) track the progress of pending matters, upcoming deadlines and other activities relating to these chapter 11 cases; (b) ensure the coordination and timely completion of these activities; and (c) avoid duplication of effort with respect to the numerous matters pending in these cases. Jones Day also communicated with the Committees to discuss open case issues.
- Jones Day continued to maintain files of pleadings and other important documents in connection with the LTV Debtors' chapter 11 cases and responded to numerous requests for such pleadings and documents. To assist in providing notices of pleadings in these cases, Jones Day maintained a notice list, which identifies each of the parties requesting service of papers in these cases under Bankruptcy Rule 2002. Jones Day also updated the General Service List in these cases and provided notice of such updated list.
- Jones Day believes that its attention to the efficient administration of these chapter 11 cases has resulted in cost savings that inure to the direct benefit of the LTV Debtors and their estates.

Creditor Inquiries (6.90 hours; \$2,029.30)

34. During the Tenth Compensation Period, Jones Day professionals and paraprofessionals responded to inquiries from the LTV Debtors' creditors, current and former customers, suppliers, bondholders, current and retired employees and other parties in interest regarding: (a) the status of the LTV Debtors' chapter 11 cases; (b) the impact of the Debtors' cases on health, retirement and pension benefits; (c) the timing and amount of payment of pre- and postpetition claims; (d) requests for copies of documents filed in these cases; and (e) other general case information.

Meetings (13.20 hours; \$8,226.00)

35. During the Tenth Compensation Period, Jones Day lawyers participated in and prepared for numerous meetings with the LTV Debtors, the Committees and other parties in interest to, among other things, (a) keep all major constituencies in these cases and their professionals informed of the status of chapter 11 events; and (b) provide assistance and guidance to the LTV Debtors' management in addressing the numerous matters arising in these cases.

**Automatic Stay/Adequate Protection
(2.40 hours; \$490.00)**

36. During the Tenth Compensation Period, the LTV Debtors were faced with certain issues relating to the imposition of the automatic stay under section 362 of the Bankruptcy Code and the availability of adequate protection. Jones Day, therefore, devoted time to (a) advising the Debtors on the application and effects of the automatic stay, (b) addressing requests from third parties relating to relief from the automatic stay and (c) preparing stipulations permitting relief from the automatic stay to the extent of applicable insurance coverage for certain third parties.

**Plan of Reorganization/Disclosure Statement
(79.70 hours; \$19,584.80)**

37. In connection with the Distribution and Dismissal Procedures Order, Jones Day lawyers performed the following services: (a) prepared and filed a winddown budget for the period beginning January 1, 2004 through June 30, 2004; (b) prepared a timeline of distributions and related events and coordinated the initial distribution made to administrative claimants with LTV Steel and its disbursing agent; (c) conducted research and prepared memoranda related to dissolution of the corporate entities of the LTV Debtors under applicable nonbankruptcy law; and (d) obtained an order approving LTV Steel's entry into a disbursing agreement with Wells

Fargo Minnesota, National Association. In addition, Jones Day lawyers researched several issues related to, and advised the LTV Debtors regarding, the Court's order substantially consolidating the estates of LTV Steel and Georgia Tubing Corporation.

Use, Sale, Lease of Assets (60.90 hours; \$21,992.50)

38. During the Tenth Compensation Period, Jones Day counseled the LTV Debtors on the appropriate use or sale of assets in the ordinary course of their businesses. Jones Day also assisted the LTV Debtors in obtaining Court approval for the use or sale of certain assets outside the ordinary course of their businesses. Significantly, Jones Day (a) participated in negotiations and conducted research related to appeals of the Allocation Order; (b) prepared and filed a stipulation resolving objections of Bank One Trust Company, N.A. as Collateral Trustee related to the validity, priority and extent of the Collateral Trustee's liens; (c) participated in negotiations and prepared a related protective order concerning objections to the proposed destruction of obsolete records filed by the State of Minnesota; and (d) reviewed and analyzed documents related to the proposed settlement of the LTV Debtors' insurance coverage from certain London Market insurers.

Claims Administration (214.90 hours; \$65,381.70)

39. During the Tenth Compensation Period, Jones Day assisted in addressing numerous matters relating to the administration of claims asserted against the LTV Debtors. Among other things, Jones Day participated in the following claims administration activities during the Tenth Compensation Period:

- Jones Day analyzed and responded to numerous inquiries by creditors and other interested parties regarding claims procedures and other issues relating to the treatment of claims asserted in these cases, including setoff requests, requests for the recognition of asserted reclamation claims and other claim priority issues.
- Jones Day counseled the Debtors on the appropriate treatment of a variety of claims. Among other things, Jones Day assisted the LTV Debtors in (a) preparing

for litigation of pending objections to certain pre- and postpetition claims, including numerous claims filed by National Union Fire Insurance Company of Pittsburgh, PA, (b) negotiating the resolution of certain administrative claims and (c) drafting, and filing with the Court, stipulations resolving such claims.

- Jones Day obtained Court orders and/or approval of stipulations resolving certain claims filed by, among others, (a) Enron Energy Services; (b) the United Steelworkers of America, AFL-CIO-CLC; (c) various reclamation claimants; and (d) Trico Steel Company, LLC.
- Jones Day also obtained an order granting the Second Omnibus Objection of Debtor LTV Steel Company, Inc. to Certain Administrative Expense Claims.
- Finally, Jones Day conducted research related to certain tax claim issues.

Court Hearings (25.50 hours; \$6,247.10)

40. Jones Day's activities during the Tenth Compensation Period included preparation for and participation in several hearings and status conferences before this Court on a variety of matters described elsewhere in this Application. Jones Day's lawyers also spent a significant amount of time resolving disputes prior to hearings to ensure that critical relief could be obtained for the benefit of the LTV Debtors' estates in a timely and efficient manner. Finally, Jones Day devoted time to the preparation of agenda letters for the benefit of the parties and the Youngstown court and other required documents for each hearing conducted before the Court in these cases.

General Corporate/Real Estate (1.80 hours; \$240.00)

41. Jones Day lawyers assisted the LTV Debtors in connection with the following general corporate matters during the Tenth Compensation Period:

- Jones Day (a) drafted corporate dissolution documents and various amendments to articles of incorporation and (b) conducted related research concerning statutory obligations for dissolving certain of the LTV Debtors.
- Jones Day also prepared and filed with the SEC monthly Form 8-Ks.

Schedules/SOFAs/U.S. Trustee Reports (2.60 hours; \$459.80)

42. Jones Day devoted time to responding to inquiries concerning certain entries on the LTV Debtors' schedules of assets and liabilities. In addition, Jones Day reviewed the LTV Debtors' January 2004 monthly operating reports prior to filing them with the Court and submitting them to the U.S. Trustee.

Employee Matters (0.90 hours; \$216.50)

43. Jones Day lawyers analyzed certain employee matters during the Tenth Compensation Period, including issues related to the entry of the VEBA Stipulation and termination of certain employee benefits.

Environmental Matters (1.20 hours; \$582.00)

44. During the Tenth Compensation Period, Jones Day assisted the Debtors in analyzing issues associated with an Environmental Hearing Board proceeding.

Tax Advice (35.70 hours; \$12,827.00)

45. During the Tenth Compensation Period, Jones Day tax lawyers provided advice to the LTV Debtors on a variety of tax issues.

Litigation/Adversary Proceedings (64.80 hours; \$17,313.80)

46. During the Tenth Compensation Period, Jones Day lawyers advised and assisted the LTV Debtors in connection with certain litigation or potential litigation matters initiated by or against, among others, Oil States International, Inc., Stein, Inc., Maverick Tube Corporation and C&K Industrial Services, Inc. Among others, Jones Day participated in the following litigation-related activities:

- Jones Day provided advice and assistance in connection with the litigation of certain adversary proceedings. In connection therewith, Jones Day (a) drafted discovery documents, (b) drafted various related pre-trial briefs and trial documents, (c) researched and analyzed various discovery and evidentiary issues and (d) drafted a dispositive motion in the Oil States adversary proceeding.

- Jones Day assisted the Debtors with responding to various appeals of certain orders entered by the bankruptcy court, including the appeals of the Allocation Order and the appeal of an order resolving certain claims filed by John McMillan.

Professional Retention/Fee Issues (41.50 hours; \$7,693.50)

47. Due to the size and complexity of the LTV Debtors' chapter 11 cases, the LTV Debtors had retained a variety of professionals to provide them with the advice and assistance with respect to, among other things: (a) bankruptcy, corporate, environmental, finance, government, labor and employment, litigation and tax law; (b) accounting, auditing, finance, investment banking and restructuring; and (c) employee benefits and human resources. During the Tenth Compensation Period, Jones Day provided a variety of services relating to the retention of professionals in these cases, including the following:

- On the Petition Date, the Court entered an order authorizing the Debtors, subject to certain limitations, to continue to retain and pay "ordinary course professionals" without further approval of the Court (the "Ordinary Course Professionals Order"). During the Tenth Compensation Period, Jones Day assisted the Debtors in preparing ordinary course professional reports in accordance with the requirements of the Ordinary Course Professionals Order.
- Jones Day responded to inquiries from other professionals regarding the procedures for retention and compensation of professionals in these cases and prepared orders approving the professionals' fee applications for submission to the Court.
- Jones Day reviewed and analyzed various reports to prepare the ninth supplemental disclosure related to Jones Day's retention in these cases.

Fee Application Preparation (27.00 hours; \$4,460.60)

48. During the Tenth Compensation Period, Jones Day devoted time to (a) the preparation of the Ninth Interim Fee Application, as described in paragraph 14 above; (b) responding to information requests from the U.S. Trustee with respect to the Ninth Interim Fee Application, particularly with respect to voluminous disbursement detail; and (c) completing certain advance activities in preparation of this Application, including the review and preparation

of Monthly Statements in accordance with the Interim Compensation Order and in compliance with the Guidelines and Local Rule 93-1 and the preparation of related fee application exhibits.

Nonworking Travel (1.90 hours; \$405.75)

49. During the Tenth Compensation Period, Jones Day lawyers and paraprofessionals spent time traveling to, among other things: (a) hearings before the Court in Cleveland; (b) meetings at the LTV Debtors' headquarters in Independence, Ohio; and (c) conferences at the offices of counsel to the Administrative Claimant's Committee in Cleveland. Consistent with Local Rule 93-1, all nonworking travel time has been charged at 50% of Jones Day's normal billing rates.

**LTV v. National Union Fire Insurance Company of Pittsburgh
(3.20 hours, \$894.60)**

50. During the Ninth Compensation Period, Jones Day provided advice and assistance with a turnover action against National Union Fire Insurance Company of Pittsburgh, PA. In connection therewith, Jones Day (a) attended telephonic pre-trial conferences for this adversary proceeding, (b) assisted with negotiations thereto and (c) analyzed certain materials in connection with an objection to the claims underlying such adversary proceeding.

Description of Expenses Incurred

51. Section 330 of the Bankruptcy Code authorizes "reimbursement for actual, necessary expenses" incurred by professionals employed in a chapter 11 case. 11 U.S.C. § 330(a)(1)(B). Accordingly, Jones Day seeks reimbursement for actual and necessary expenses (the "Expenses") incurred in rendering services to the LTV Debtors during the Tenth Compensation Period. The total amount of the Expenses is \$12,646.28 as detailed in the attached Exhibit E. Jones Day submits that the Expenses were reasonable and necessary in light of the services provided.

52. Jones Day maintains the following policies with respect to the Expenses:

- Photocopying by Jones Day was charged at \$0.20 per page, in accordance with Local Rule 93-1. To the extent practical, Jones Day utilized less expensive, outside copying services.
- Prior to March 1, 2003, facsimile transmissions by Jones Day typically were charged at \$0.50 per page for outgoing local transmissions, \$1.00 per page for outgoing long distance transmissions and \$3.00 per page for outgoing international transmissions. These charges included any long distance telephone tariff. In accordance with an agreement reached with the U.S. Trustee, however, Jones Day has agreed to charge the Debtors \$0.25 per page for all outgoing facsimile transmissions in these cases. Incoming facsimiles were charged at \$0.20 per page for documents over ten pages. Jones Day does not charge for incoming facsimiles of documents under ten pages.
- Mileage was charged at the prevailing rate allowed by the Internal Revenue Service for tax deductions for mileage.
- All airfare Expenses are for coach class travel. Jones Day professionals are to incur only reasonable meal, lodging and car rental costs when traveling on client matters. Charges for airline travel include the cost of each airline ticket used in connection with the provision of services to the Copperweld Debtors' estates plus, for each airline ticket issued by the travel service regularly used by Jones Day, a \$30 transaction fee to cover travel service expenses.
- Except as otherwise described herein, no amortization of the cost of any investment, equipment or capital outlay is included in the Expenses. In addition, except as otherwise described herein, for those items or services that Jones Day justifiably purchased or contracted from a third party (such as outside lien search fees), Jones Day seeks reimbursement only for the exact amount billed to Jones Day by the third party vendor and paid by Jones Day to the third party vendor.
- Computer-assisted legal research was used when time pressures rendered it impracticable to conduct such research manually or where the use of such computer services was determined to be more cost-efficient. Computer-assisted research is billed at actual cost on a per-search and/or per-minute basis, depending upon the provider. Among other things, Jones Day used computer research in the following instances in connection with the preparation of certain internal legal memoranda, the development of responses to inquiries of the Copperweld Debtors and other parties, the analysis of issues arising in these cases, the completion of certain corporate activities and transactions and the preparation of pleadings filed with the Court in these cases and in other courts:
 - ◆ research of case law, statutory and regulatory provisions and factual data regarding particularly important issues; and

- ◆ shepardization of cases cited in pleadings filed with the Court in these cases or in other courts.
- With computer assistance, the total shepardization and research time was greatly reduced. To complete these activities manually would have taken significantly more lawyer or paraprofessional time, resulting in a greater cost to the Copperweld Debtors' estates.
- Jones Day does not charge for postage less than \$1.00. Postage is billed at actual cost for postage over \$1.00, including postage for large group mailings where the postage for each individual item is less than \$1.00. Overnight delivery services and messenger services were used when time pressures rendered it impracticable to use regular mail services. Messenger services are billed at the actual rates charged by comparable, outside delivery services or the actual cost of such services.
- Jones Day does not charge for telephone calls between its offices or for local or long distance calls less than \$1.00. Long distance telephone charges over \$1.00 and operator assisted conference calls are billed at actual cost.
- Jones Day bills for the actual cost of staff overtime only when staff overtime services are used for the needs of its clients and not for Jones Day's own convenience. In this regard, Jones Day has not sought any reimbursement for staff overtime charges incurred during the Tenth Compensation Period of a total of \$493.68 in incurred overtime charges for the period.

Adjustment to Fees and Expenses

53. Consistent with its own internal policies and to comply with the "reasonableness" requirements of section 330 of the Bankruptcy Code, Jones Day has reviewed its monthly service descriptions and expense detail and has determined that certain fees should not be charged to the LTV Debtors. This Application reflects these adjustments. The adjustments made by Jones Day result from, among other things (a) the reduction (or elimination) of fees where the time charged for the particular services exceeded the amount of time that, in Jones Day's estimation, it should have taken the lawyer or the paraprofessional to render the services; (b) the deletion of charges for duplicative or nonproductive services; and (c) other adjustments considered appropriate by Jones Day or required by applicable rules.

54. In total, for the Tenth Compensation Period, Jones Day has voluntarily written off (a) 5.70 hours of time charges aggregating \$978.30 (in addition to the write-off of 1.90 hours of time charges aggregating \$405.75 relating to nonworking travel time, as described in paragraph 49 above); and (b) expenses aggregating \$137.19. These write-offs include additional reductions made in connection with the preparation of this Application and after the issuance of Jones Day's Monthly Statement for the Tenth Compensation Period.

55. In addition, for the Combined Compensation Period, Jones Day has written off a total of \$546,882.18 in fees, expenses, nonworking travel and staff overtime related to services provided to the LTV Debtors (the "Writeoff Total"). The Writeoff Total is comprised of (a) \$232,365.65 in non-working travel writeoffs; (b) voluntary reductions of \$42,075.25 in fees billed for services performed during the First Compensation Period and Second Compensation Period, which were taken after the first and second interim fee applications were filed; (c) \$120,247.00 in fees written off prior to billing during the Combined Compensation Period; (d) voluntary reductions of \$15,925.81 in billed expenses related to the First Compensation Period and Second Compensation Period, which were taken after the first and second interim fee applications were filed; (e) \$84,072.72 in writeoffs for incoming and outgoing facsimile transmissions during the Combined Compensation Period; and (f) \$52,195.75 in other expenses written off prior to billing during the Combined Compensation Period. This significant Writeoff Total amount evidences Jones Day's commitment to provide cost-effective services to the LTV Debtors by, among other things, voluntarily monitoring the fees and expenses charged to the LTV Debtors' estates.

LEGAL ARGUMENT

Applicable Legal Standards

56. Section 330(a)(1) of the Bankruptcy Code provides, in pertinent part, for the payment of:

(A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and

(B) reimbursement for actual, necessary expenses.

11 U.S.C. § 330(a)(1). To grant a request for compensation pursuant to section 330 of the Bankruptcy Code, a court must find that such request is reasonable.

57. In the Sixth Circuit, the standard typically used to determine the reasonableness of a compensation request is the "lodestar" method:

The Supreme Court has made it clear that the lodestar method of fee calculation is the method by which federal courts should determine reasonable attorney's fees under federal statutes which provide for such fees.

In re Boddy, 950 F.2d 334, 337 (6th Cir. 1991); see also In re EWI, Inc., 208 B.R. 885, 891 (Bankr. N.D. Ohio 1997) (citing In re Mansfield Tire and Rubber Co., 65 B.R. 446, 455 (Bankr. N.D. Ohio 1986)) ("The Sixth Circuit has approved the lodestar method as the standard to be applied for allowance of professional fees."); In re Unicast, Inc., 214 B.R. 979, 990 (Bankr. N.D. Ohio 1997) ("[T]he lodestar method . . . should be employed in determining professional fees provided for under federal statutes, including the Bankruptcy Code."). The lodestar amount is calculated by "multiplying the number of hours reasonably expended multiplied by a reasonable hourly rate." EWI, 208 B.R. at 891.

58. In accordance with its practice in nonbankruptcy matters, Jones Day has utilized the lodestar method for calculating its compensation requested in this Application.

Accordingly, Jones Day's lodestar calculation is reasonable under section 330 of the Bankruptcy Code.

Jones Day's Fees Are Reasonable

59. Jones Day's fees during the Tenth Compensation Period were reasonable under the prevailing legal standard and should be allowed on an interim basis, as requested herein. The amount of these fees is not unusual given the complexity and size of the LTV Debtors' chapter 11 cases, and these fees are commensurate with fees that Jones Day has been awarded in other chapter 11 cases and that other attorneys of comparable experience and expertise have charged and been awarded in similar chapter 11 cases.

60. Additionally, as described herein, Jones Day has encountered difficult and unique legal problems during the course of these chapter 11 cases involving many areas of legal expertise, including bankruptcy, corporate transactions, securities and finance, environmental, employee benefits, government, labor, tax and litigation. The professional services rendered in these chapter 11 cases have been performed by attorneys with broad expertise and high levels of skill in the areas in which they have provided services. This highly professional and expert group of attorneys has ensured that the LTV Debtors' cases have progressed in an efficient and expeditious manner.

61. Moreover, for all of the reasons described herein, Jones Day's services have significantly benefited the LTV Debtors, their estates and creditors and have furthered the LTV Debtors' ultimate goal of maximizing the value of their estates for the benefit of all creditors.

Jones Day's Expenses Were Actual and Necessary

62. Section 330(a)(1)(B) of the Bankruptcy Code permits reimbursement for actual, necessary expenses. As noted above, Jones Day already has (a) conducted a review to

ensure that the Expenses comply with section 330(a)(1)(B), Local Rule 93-1, the Guidelines and other applicable requirements and (b) eliminated any expenses that it deemed "not necessary" or otherwise inappropriate. Accordingly, Jones Day has properly requested reimbursement only of actual, necessary and appropriate Expenses.

Review by the LTV Debtors

63. A copy of this Application has been sent to the LTV Debtors for their review. To date, the LTV Debtors have not expressed whether they approve the amounts requested in this Application.

No Sharing of Compensation

64. No agreement or understanding exists between Jones Day or any third person for the sharing of compensation, except as permitted by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016 with respect to sharing of compensation between and among partners in Jones Day. All the services for which compensation is requested in this Application were rendered at the request of and solely on behalf of the LTV Debtors.

Certification

65. In accordance with the Local Rule 93-1 and the Guidelines, the Certification of Heather Lennox is attached hereto as Exhibit G and incorporated herein by reference.

NOTICE

66. No trustee or examiner has been appointed in these chapter 11 cases. In accordance with the Interim Compensation Order and the Case Management Order, notice of this Motion has been given to the parties identified on the General Service List established by the

Case Management Order. In light of the nature of the relief requested herein, Jones Day submits that no other or further notice is required.

WHEREFORE, Jones Day respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit H: (i) allowing on an interim and final basis compensation of \$177,309.35 for services rendered by Jones Day to the LTV Debtors in connection with these chapter 11 cases during the Tenth Compensation Period; (ii) allowing on an interim and final basis reimbursement of Expenses of \$12,646.28 incurred by Jones Day in connection with the services provided to the LTV Debtors during the Tenth Compensation Period; (iii) allowing on a final basis compensation of \$16,472,007.10 for services rendered by Jones Day to the LTV Debtors during the Combined Compensation Period; (iv) allowing on a final basis Expenses of \$1,622,991.90 incurred by Jones Day in connection with services provided to the LTV Debtors during the Combined Compensation Period; (v) authorizing and directing Jones Day to apply the Retainer and the Additional Adjusted Retainer to the unpaid

balance of all approved fees and expenses incurred during the Combined Compensation Period;
and (vi) granting such other and further relief as the Court may deem proper.

Dated: March 22, 2004

Respectfully submitted,

/s/ Nicholas M. Miller

David G. Heiman (0038271)
dgheiman@jonesday.com
Heather Lennox (0059649)
hlennox@jonesday.com
Nicholas M. Miller (0069393)
nmmiller@jonesday.com
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Phone: (216) 586-3939
Facsimile: (216) 579-0212

Jeffrey B. Ellman (OH 0055558)
jbellman@jonesday.com
JONES DAY
3500 SunTrust Plaza
303 Peachtree Street, N.E.
Atlanta, Georgia 30308-3242
Phone: (404) 521-3939
Facsimile: (404) 581-8330

ATTORNEYS FOR DEBTORS
AND DEBTORS IN POSSESSION