

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

IN RE:)	Jointly Administered
)	Case No. 00-43866
LTV STEEL COMPANY, INC.,)	
A New Jersey Corporation, <i>et al.</i> ,)	
)	
Debtors.)	Chapter 11
)	
)	
_____)	Chief Judge Randolph Baxter

**SUMMARY COVER SHEET
ON PROFESSIONAL FEES IN CHAPTER 11**

1. Applicant, KPMG LLP – U.S. and KPMG LLP – Canada (together “KPMG”), represents the Official Committee of Noteholders of the LTV Steel Company, Inc.
2. This is KPMG’s Final Fee Application for Allowance of Compensation and Reimbursement of Expenses for the Period from January 31, 2003 through April 30, 2003.
3. Previous retainer paid to Applicant: None
4. In this application, Applicant seeks final approval of fees and expenses for the period January 31, 2003 through April 30, 2003.

Dated: February 23, 2004

KPMG LLP

By: _____

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**FINAL FEE APPLICATION OF KPMG LLP - US AND KPMG LLP – CANADA FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES AS
ACCOUNTANTS AND FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF
NOTEHOLDERS FOR THE PERIOD
JANUARY 31, 2003 THROUGH APRIL 30, 2003**

KPMG LLP – U.S. and KPMG LLP – Canada (jointly referred to herein as “Applicant” or “KPMG”), accountants and financial advisors to the Official Committee of Noteholders of the LTV Steel Company, Inc. (“Noteholders”), files the Final Fee Application for Allowance of Compensation and Reimbursement of Expenses for the Period from January 31, 2003 through April 30, 2003, pursuant to 11 U.S.C. §331. In support to this Application, Applicant states as follows:

1. On December 29, 2000, the Debtors filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) with the clerk of this court. The Debtors, other than the Copperweld Debtors, continue in the management and possession of their remaining businesses and properties as Debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner had been appointed herein.
2. On January 19, 2001, the Office of the United States appointed the Noteholders Committee.
3. By Court order dated March 11, 2003, KPMG was approved as accountants and financial advisors to the Noteholders Committee, a copy of which is attached hereto as Exhibit A, nunc pro tunc, as of January 31, 2003. The Applicant has received no retainers.
4. Each of the persons who has performed services herein has kept their daily time records setting forth the services performed and the time expended in connection therewith by category of service reflected in the Guidelines for Reviewing Applications For Compensation and Reimbursement of Expenses Filed Under 11U.S.C. §330 dated March 22, 1995 issued by the Office of the United States Trustee (the “Guidelines”).
5. Set forth in Exhibit B is a listing of the names, positions, billing rates and total hours and fees incurred for the period January 31, 2003 through April 30, 2003.
6. Set forth in Exhibit C is a listing of services for the period January 31, 2003 through April 30, 2003 performed by individual professionals under the same matter Categories set forth in the

Guidelines, together with chronological summaries of time for each professional who rendered services for each Category for which reimbursement is sought.

7. Set forth in Exhibit D is a summary of expenses incurred in the period January 31, 2003 through April 30, 2003. KPMG charges only for out-of-pocket expenses at KPMG's actual cost or reimbursement to its employees.
8. As part of the Administrative Order dated January 10, 2001, the Court authorized the submission of the interim professional fee applications to the Clerk of the Bankruptcy Court and a procedure pursuant to which eighty (80%) percent of the uncontested fees and one hundred (100%) percent of the uncontested expenses requested in such monthly fee applications would be paid by the Debtors ten (10) days after receipt of the Monthly Certifications, as defined in the Administrative Order dated January 10, 2001. The value of services performed by KPMG on behalf of the Noteholders are set forth below:

Date of Statement	Period Covered	Fees/Expenses Requested:	Fees/Expenses Paid:
June 2, 2003	01/31/03 to 04/30/03*	Fees: \$399,132.00 Expenses: \$20,876.42	Fees: \$399,132.00 Expenses: \$20,876.42

* Note: For the period 1/31/03 to 4/30/03, KPMG submitted a combined fee application in the total amount of \$559,512.07 for the Copperweld Debtors and LTV Debtors. This application seeks only approval for the LTV Debtors. Final approval has been sought separately with respect to Copperweld Debtors and the VP Buildings Debtors.

HISTORY OF THE CASE

9. On January 19, 2001, pursuant to Bankruptcy Code Section 1102, the United States Trustee (the "US 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 ¾% senior notes due 2009. Both tranches of senior notes were issued by LTV and were guaranteed by certain other Debtors, including VP Buildings, the Copperweld Companies and LTV Steel.
10. On March 8, 2001, the Noteholders 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.
11. Pursuant to the Initial CIBC order, CIBC provided extensive financial advisory services from January 29, 2001 through January 15, 2002. The Noteholders, however, have not utilized CIBC since on or about January 15, 2002, and both the Noteholders Committee and the Unsecured Creditors Committee have coordinated with each other to reduce duplication of effort where appropriate.
12. 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.

13. In August 2002, it became apparent that the Debtors would either sell the Copperweld Companies or formulate a stand-alone plan of reorganization for Copperweld Companies.
14. On November 27, 2002, the Noteholders Committee filed its Motion of the Official Committee filed its Motion of the Official Committee of Noteholders for an Order Approving Amended Fee Structure for CIBC as Financial Advisors. On December 17, 2002, 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 Fee Structure Motion.
15. On January 31, 2003, the Noteholders' Committee filed its Notice of Withdrawal of Motion of the Official Committee of Noteholders for an Order Approving Amended Fee Structure for CIBC as Financial Advisors.
16. On January 31, 2003, the Noteholders' Committee selected KPMG as its accountants and financial advisors in these Cases.

PROJECT SUMMARIES

17. Set forth below is a narrative summary of the Categories under which material and substantial services were performed by the Applicant during the period January 31, 2003 through April 30, 2003. Reference should be made to the exhibits hereto for a more detailed description of the services performed. In accordance with the order dated March 11, 2003 authorizing KPMG's retention, the fees and expenses in connection with the Copperweld Companies are to be paid by the Copperweld Companies and have been separately designated.

Exhibit C1 – LTV - Analysis of Intercompany Transactions – KPMG's analysis regarding intercompany transactions involved a review of various issues including the Debtors' allocation of administrative and other (e.g. DIP financing fees) expenses, intercompany balances, negotiations with various entities in determining which entities received a benefit from the DIP financings and the associated financial burden each has born with respect to repayment of the DIP borrowings. In conducting these analyses, KPMG analyzed, reviewed and developed a number of financial scenario models and also held numerous conference calls with the Committee and its legal advisors to discuss the same.

Exhibit C2 – LTV - Bankruptcy Court Motions/Filings - KPMG reviewed current Bankruptcy Motions/Filings and discussed progress of the case with Akin Gump.

Exhibit C3 – LTV - Billing Procedures, Fee Petitions & Interim Compensation - KPMG developed and finalized monthly fee statements for May, June and July, including summaries of hours by individual activities and details off activities descriptions. KPMG also prepared expense report and interim fee application materials for the first interim fee period.

Exhibit C4 – LTV Claims Analysis - KPMG received and analyzed PBGC Claims and other pension and benefits issues and discussed them with Akin Gump.

Exhibit C5 – LTV Plan of Reorganization - KPMG professionals reviewed the Disclosure Statement and Plan of Reorganization that was filed with the Court. KPMG worked with counsel for the Noteholders Committee, to analyze these documents and report to the Committee members the implications of these documents.

Exhibit C6 – LTV - Travel - Travel time included has been limited and has been reduced by 50%.

18. During the period for which compensation is sought, KPMG has rendered or provided services solely for the Committee and not on behalf of any other entity or party in interest. All of the services have been beneficial to the estate and have allowed this case to proceed as expeditiously as possible.

CERTIFICATION

19. The Applicant hereby certifies that the Committee has reviewed all invoices submitted herein, and the Applicant further certifies that it has complied with the Administrative Order dated January 10, 2001, by timely submitting its invoices for review to the designated Notice Parties on a monthly basis, including all invoices herein submitted for payment, and no objections have been received.

WHEREFORE, for the reasons set forth above, Applicant respectfully requests this Court to enter an order granting final approval of fees and expenses incurred by the Applicant for the period from January 31, 2003 through April 30, 2003, in the total amounts of \$399,132 for fees and \$20,876.42 for expenses.

Dated: February 23, 2004

KPMG LLP

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