

certain of its Debtor affiliates (the "Copperweld Debtors"), and makes its final application (the "Application") for allowance of compensation and reimbursement of expenses in the aggregate amount of \$101,434.21 for the period from May 19, 2003, through September 26, 2003 (the "Compensation Period"). In support of this Application, WCSR respectfully represents as follows:

BACKGROUND

General

1. On December 29, 2000 (the "Petition Date"), debtor LTV Steel Company, Inc. and 48 of its affiliates commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1330 (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 chapter 11 cases have been consolidated for procedural purposes only and are administered jointly.

2. On July 9, 2003, WCSR submitted its application (the "Retention Application") to be employed by the Copperweld Debtors as special counsel for the purposes of advising the Copperweld Debtors on the structure and composition of the various loan facilities and equity arrangements that would be necessary to liquidate the Copperweld Debtors' Debtor-in-Possession financing and emerge from bankruptcy through a confirmed plan of reorganization (the "Take Out Financing Facility"). The Retention Application sought employment *nunc pro tunc* to May 19, 2003.

3. On July 31, 2003, this Court entered an order (the "Retention Order") approving the Retention Application. The Retention Order permitted WCSR to serve as special counsel to the Copperweld Debtors in connection with the formulation and closing of the Take Out Financing Facility and pursuant to the terms and conditions of the Retention Application. The Retention Order approved the employment of WCSR *nunc pro tunc* to May 19, 2003. A true and correct copy of the Retention Order is annexed hereto as *Exhibit A*.

4. Subsequent to the entry of the Retention Order, the Copperweld Debtors, working in conjunction with certain of their constituent creditors, determined that it was more appropriate for the Copperweld Debtors to dispose of substantially all of their assets outside of the ordinary course of business, and liquidate their remaining assets, as opposed to proposing, advocating, and seeking of confirmation of an operating plan of reorganization.

5. WCSR has not performed services for the Copperweld Debtors since September 26, 2003, and filed a Notice of Withdrawal as Special Counsel (the "Withdrawal Notice"), advising the Court that WCSR had withdrawn from its representation of the Copperweld Debtors effective September 26, 2003, and *nunc pro tunc* to that date, with this Court on or about October 22, 2003. Thereafter, in accordance with such Withdrawal Notice, WCSR served as counsel to Copperweld Acquisition Corporation and its affiliates (collectively, "New Copperweld"), which purchased substantially all of the Copperweld Debtors' assets.

6. On November 17, 2003, the Court entered an order confirming the Second Amended Joint Plan of Reorganization and certain of its Debtor Affiliates, dated October 8, 2003, as modified (the "Plan") in the chapter 11 cases of the Copperweld Debtors.

Thereafter, the Court issued its Notice of Occurrence of Effective Date in connection with the confirmed Plan in the Copperweld Debtors' chapter 11 cases.

7. Despite appearances in the Court and efforts to inform all parties of its continuing status, WCSR did not receive the Court's Notice of Occurrence of Effective Date.

8. The failure to receive notice, coupled with a death in the family of WCSR's principal bankruptcy counsel in this case, resulted in the filing of this Application subsequent to the date established by the Court as the deadline for submission of final fee applications. Through this Application, WCSR seeks permission to submit this Application beyond the date set forth in the Notice of Occurrence of Effective Date.

9. Informal notice of WCSR's late filing was provided to New Copperweld and the Distribution Trustee under the confirmed Plan by WCSR counsel in late February. No objection has been made by New Copperweld, which pursuant to the Plan has assumed certain liabilities in the case.

RELIEF REQUESTED

Authority

10. WCSR makes this Application pursuant to the following: (a) sections 330(a), 331, and 503 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"); and (e) General Order No. 93-1 of the United States Bankruptcy Court for the Northern District of Ohio ("Local Rule 93-1"). A true and correct copy of the Interim Compensation Order is annexed hereto as *Exhibit B*.

Request for Allowance of Compensation

11. WCSR hereby seeks final allowance of compensation and reimbursement of expenses for the Compensation Period as follows:

(a) Final compensation of \$99,570.00 and reimbursement of expenses in the amount of \$1,864.21 in connection with services during the Compensation Period. A summary of the total hours incurred and fees charged for each billing category, along with the related time detailed, is annexed hereto as *Exhibit C*.

(b) Final approval by the Court of amounts previously received by WCSR, as detailed in paragraphs 13 and 14 below, including an award of immediate payment of the remaining sum due of \$19,190.50, which represents the 20% holdback required by the Interim Compensation Order, as also detailed in paragraphs 13 and 14 below.

12. Pursuant to the Interim Compensation Order, professionals in these chapter 11 cases were authorized to submit a statement of fees and expenses (a "Monthly Statement") to the Copperweld Debtors for payment on a monthly basis. The Copperweld Debtors were 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) objected 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) were held back until a hearing on allowance of such fees, at which time they become payable to the extent allowed by the Court.

13. WCSR has submitted the following Monthly Statements to the Copperweld Debtors with respect to the Compensation Period:

- (a) For May 19, 2003 through July 31, 2003 – fees of \$73,112.50 and expenses of \$1,556.20;
- (b) For August 1, 2003 through August 31, 2003 – fees of \$6,301.50 and expenses of \$283.83;
- (c) For August 1, 2003 through August 31, 2003 – fees of \$1,705.00 and no expenses;
- (d) For August 1, 2003 through August 31, 2003 – fees of \$9,455.50 and no expenses;
- (e) For August 1, 2003 through August 31, 2003 – fees of \$3,343.00 and no expenses;
- (f) For August 1, 2003 through August 31, 2003 – fees of \$3,407.50 and no expenses;

(g) For September 1, 2003 through September 26, 2003 – fees of \$350.00 and expenses of \$24.08;

(h) For September 1, 2003 through September 26, 2003 – fees of \$1,640.00 and no expenses;

(i) For September 1, 2003 through September 26, 2003 – fees of \$45.00 and expenses of \$0.20; and

(j) For September 1, 2003 through September 26, 2003 – fees of \$210.00 and expenses of \$0.40.

In total, WCSR has submitted Monthly Statements relating to the Compensation Period for fees of \$99,570.00 and expenses of \$1,864.21. None of the Notice Parties objected to any of WCSR's Monthly Statements for the Compensation Period.

14. During the Compensation Period and thereafter through 2003, WCSR received the following payments from the Copperweld Debtors:

(a) On September 16, 2003, WCSR received a payment of \$60,046.20 which was applied in satisfaction of 80% of WCSR's fees and all of WCSR's expenses in its Monthly Statement for the period from May 19, 2003 through July 31, 2003;

(b) On October 13, 2003, WCSR received a payment of \$20,335.33 which was applied in satisfaction of 80% of WCSR's fees and all of WCSR's expenses in its Monthly Statements for the period from August 1, 2003 through August 31, 2003; and

(c) On November 13, 2003, WCSR received a payment of \$1,820.60 which was applied in satisfaction of 80% of WCSR's fees and all of WCSR's expenses in its Monthly Statements for the period from September 1, 2003 through September 26, 2003.

Services Rendered by WCSR

15. As described in the attached Exhibit C, WCSR's professionals and paraprofessionals billed their time during the Compensation Period to five (5) project billing categories for the Copperweld Debtors. Below is a summary of certain of the primary activities performed by WCSR during the 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 C.

Reorganization Financing: 290.00 hours; \$79,764.00

WCSR lawyers advised the Copperweld Debtors regarding the structure, form and scope of new debt and equity financing arrangements with the Copperweld Debtors' DIP Lenders. In this process, WCSR professionals and paraprofessionals attended conferences, participated in numerous teleconferences, prepared and revised proposed term sheets and draft agreements. WCSR professionals advised the Copperweld Debtors of the implication arrangements proposed and under negotiation.

Corporate Structure: 10.30 hours; \$1,705.00

WCSR professionals and paraprofessional advised the Copperweld Debtors of possible subsidiary corporate structure to streamline the consolidated entities. WCSR personnel began the preparation of documents to implement the new subsidiary structure.

Plan and Disclosure Statement: 47.10 hours; \$11,095.50

WCSR professionals and paraprofessionals reviewed and provided comments to the Plan and Disclosure Statement relating to the Take Out Financing Facility related arrangements, and new subsidiary corporate structure.

Fee and Employment: 10.90 hours; \$3,338.00

WCSR professionals and paraprofessionals prepared appropriate application for employment, notice of withdrawals, and prepared monthly statements.

Business Operations: 19.20 hours; \$3,617.50

WCSR professionals and paraprofessionals assisted with issues arising under business contacts that could be implicated by the new financing and corporate structure. A true and correct copy of an aggregate summary of the hours worked and fees incurred for all project categories is annexed hereto as *Exhibit D*. Exhibit D also includes brief professional synopses of the lawyer timekeepers referenced in Exhibit D. These synopses are found on WCSR's Internet website.¹

¹ The professional synopses referenced on Exhibit D do not include paraprofessionals. In addition, one lawyer, Neil G. O'Rourke, recently obtained a new position outside WCSR, so his professional synopsis is no longer maintained on WCSR's website. Mr O'Rourke, however, was a member of WCSR immediately prior to his departure and had over seven years experience in tax and tax related matters.

Adjustment to Fees and Expenses

16. Consistent with its own internal policies and to comply with the "reasonableness" requirements of section 330 of the Bankruptcy Code, WCSR reviewed, prior to submission to the Court, its monthly service descriptions and expense detail and determined that certain fees should not be charged to the Copperweld Debtors. The Monthly Statements and this Application reflect those adjustments. The adjustments made by WCSR result from the reduction of fees where the time charged for the particular services exceed the amount of time that WCSR believed appropriate and the deletion of charges for duplicative or nonproductive services.

LEGAL BASIS

Standards

17. Section 330(a)(1) of the Bankruptcy Code provides 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 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.

Reasonableness of Fees

18. WCSR's fees during the Compensation Period were reasonable under the prevailing legal standard and should be allowed as requested herein. The fees are based on

WCSR standard hourly rates for transactions of this nature, are at rates commensurate to other firm offering similar services and are in total customary given the complexity and size of the expected Take Out Financing Facility.

19. 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. The highly professional and expert group of attorneys has ensured that the Copperweld Debtors received efficient and expeditious legal services.

WCSR's Expenses Were Actual and Necessary

20. Section 330(a)(1)(B) of the Bankruptcy Code permits reimbursement for actual, necessary expenses. As noted above, WCSR already has 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. Accordingly, WCSR has properly requested and received reimbursement only of actual, necessary and appropriate Expenses.

NOTICE

21. Notice of this Motion has been given to (a) the parties identified on the General Service List established by the Case Management Order; (b) each professional retained by an order of the Court seeking payment of compensation or reimbursement of expenses in these cases; provided, however, that only the Notice Parties (as such term is defined in the Interim Compensation Order) have been served with a copy of this Application with its voluminous exhibits; (c) the Distribution Trustee; and (d) New Copperweld. In light of the

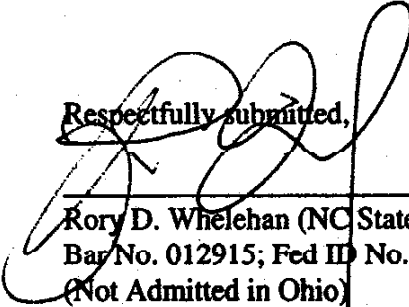
nature of the relief requested herein, the Copperweld Debtors submit that no other or further notice is required.

WHEREFORE, WCSR respectfully requests that the Court enter an order, substantially in the form attached hereto as *Exhibit E*: (i) allowing the final compensation of \$99,570.00 for services rendered by WCSR in connection with these chapter 11 cases during the Compensation Period; (ii) final reimbursement of expenses in the amount of \$1,864.21 incurred by WCSR in connection with these chapter 11 cases during the Compensation Period; (iii) immediate payment of the 20% of fees held back by the Interim Compensation Order in the amount of \$19,190.50; (iv) authorizing the Trust to pay to WCSR all amounts requested herein that have not previously been paid pursuant to WCSR's Monthly Statements for the Compensation Period; (v) authorizing WCSR to file within twenty (20) days of the entry of any order approving this Application a final supplement to the Application representing time and expenses incurred in connection with preparation of this Application and attendance at any hearing thereon and which final supplement may be approved without any further hearing if no objections are filed to the final supplement within twenty-five (25) days of service of the final supplement; and (vi) granting such other and further relief as the Court may deem proper.

[Signature Block Follows on Next Page]

Dated: March 10, 2004

Respectfully submitted,


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