

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

<p><b>In re</b></p> <p><b>LOEWEN GROUP INTERNATIONAL, INC. , a Delaware corporation, <u>et al.</u></b></p> <p style="text-align: center;"><b>Debtors.</b></p>	<p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p>	<p><b>Jointly Administered</b></p> <p><b>Case No. 99-001244(PJW)</b></p> <p><b>Chapter 11</b></p>
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**EIGHTH AND FINAL APPLICATION OF SITRICK AND COMPANY INC. FOR FINAL APPROVAL OF INTERIM COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS CORPORATE COMMUNICATIONS CONSULTANTS TO DEBTORS FOR THE PERIOD FROM JUNE 1, 1999 THROUGH APRIL 30, 2000**

Name of Applicant: Sitrick And Company Inc.

Authorized to Provide Professional Services to: The above captioned debtors and debtors in possession

Date of Retention: June 1, 1999

Amount of Compensation Sought as Actual, Reasonable and Necessary: \$699,836.25

Amount of Reimbursement of Expenses Sought As Actual, Reasonable and Necessary: \$257,000.63

This is an \_\_\_ interim \_\_\_  final application

The total time expended for fee application preparation is approximately 7 hours and the corresponding compensation requested is approximately \$238. However, the time spent is not sought in this application.

Date Filed	Period Covered	Requested		Paid	
		Fees	Expenses	Fees	Expenses
10/22/99 (Amended 11/30/99)	6/1/99-9/30/99	513,050.25	230,740.38	513,050.25	230,740.38

11/24/99	10/1/99-10/30/99	38,257.50	12,713.47	38,257.50	12,713.47
12/23/99	11/1/99-11/30/99	65,338.50	6,466.55	65,338.50	6,466.55
1/31/00	12/1/99-12/31/99	45,942.00	856.20	45,942.00	856.20
2/28/00	1/1/00-1/31/00	26,616.00	5,778.79	26,616.00	5,778.79
4/11/00	2/1/00-2/29/00	10,287.00	287.00	10,287.00	287.00
5/18/00	3/1/00-4/30/00	345.00	158.24	345.00	158.24

**ATTACHMENT B  
TO FEE APPLICATION**

<b>Name of Professional Person:</b>	<b>Position:</b>	<b>Billing Rate:</b>	<b>Hours:</b>	<b>Total Compensation:</b>
Michael S. Sitrick	Member	450.00	1.70	765.00
Michael Kolbenschlag	Member	345.00	711.00	245,295.00
Ann Julsen	Member	315.00	7.90	2,488.50
Brenda Adrian	Member	220.00	176.00	38,720.00
Linda Press	Member	285.00	110.80	31,578.00
Anita-Marie Hill	Sr. Associate	165.00	672.05	110,888.25
Julie Fahn	Sr. Associate	165.00	23.50	3,877.50
Jennifer Mercer	Associate	150.00	993.41	149,011.50
Janet Feddish	Associate	150.00	498.00	74,700.00
Curt Flood, Jr.	Associate	190.00	10.00	1,900.00
Maya Pagoda	Associate	150.00	271.00	40,650.00
(Unallocated reduction on first fee application) <sup>1</sup>				(37.50)
<b>Total:</b>			<b>3,475.36</b>	<b>699,836.25</b>
<b>Blended Rate/Hour:</b>		<b>201.37</b>		

**COMPENSATION BY CATEGORY**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Communications Consulting	3,475.36	\$699,836.25

<sup>1</sup> On Sitrick's First Interim Fee Application, Sitrick voluntarily reduced its requested fees by \$37.50 without identifying specifically to which individual's time records the credit should be applied.

**EXPENSE SUMMARY**

<b>EXPENSE CATEGORY</b>	<b>SERVICE PROVIDER (IF APPLICABLE)</b>	<b>TOTAL EXPENSES (\$)</b>
Airfare		19,544.25
Conference Calls		3,995.65
Computerized Research	Dow	1,647.95
	Lexis Nexis	1,434.47
	Miscellaneous	1,663.85
	On Line Access	309.43
Facsimile		10,037.33
Lodging & Meals		35,171.67
Messenger/Federal Express		90,223.60
Postage/Delivery		8,479.56
Mileage/Parking		1,114.97
Printing		40,002.46
Photocopies		4,095.99
Press Releases	PR Newswire	165.00
	Business Wire	406.25
Publications		4.00
Clerical Overtime		9,961.50
Video Expenses		11,446.65
Transportation	Rental Car/Taxi	3,738.54
Telephone		14,149.05
Supplies		970.92
Postage		687.72
Word Processing		2,801.85
Miscellaneous		1,773.89
<b>Sub-total:</b>		<b>263,826.55</b>
Reduction of facsimile and copy charges. <sup>1</sup>		6,280.44
<b>Total:</b>		<b>257,000.63</b>

<sup>1</sup> Sitrick voluntary adjusted its rates on photocopy and facsimile charges on its first and second interim applications resulting in the credit reflected above.

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re	:	Jointly Administered
	:	
LOEWEN GROUP INTERNATIONAL,	:	Case No. 99-001244(PJW)
INC. , a Delaware corporation, <u>et al.</u>	:	
	:	Chapter 11
Debtors.	:	
	:	
	:	
	:	

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EIGHTH AND FINAL APPLICATION OF SITRICK AND COMPANY INC. FOR  
FINAL APPROVAL OF INTERIM COMPENSATION FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES AS CORPORATE COMMUNICATIONS  
CONSULTANTS TO DEBTORS FOR THE PERIOD FROM JUNE 1, 1999 THROUGH  
APRIL 30, 2000

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Dated: March 4, 2002

Michael S. Sitrick  
SITRICK AND COMPANY INC.  
1840 Century Park East  
Suite 800  
Los Angeles, California 90067  
(310)788-2850

CORPORATE COMMUNICATIONS  
CONSULTANTS TO DEBTORS AND  
DEBTORS-IN-POSSESSION

Sitrick And Company Inc. ("Sitrick"), corporate communications consultants to the above captioned debtors and debtors in possession (collectively, the "Debtors"), hereby makes its application for final allowance of compensation of \$699,836.25 and reimbursement of related expenses in the amount of \$257,000.63 (the "Application") for the period from June 1, 1999 through April 30, 2000 (the "Compensation Period"). In support of this Application, Sitrick respectfully represents as follows:

### **BACKGROUND**

1. On June 1, 1999 (the "Petition Date"), the Debtors commenced their respective reorganization cases by filing voluntary petitions under Chapter 11 of 11 U.S.C. Section 101 –1330 (the "Bankruptcy Code"). The Debtors' cases have been consolidated for procedural purposes only and are being jointly administered. On December 4, 2001, the Court entered the Findings of Fact, Conclusions of Law and Order Confirming the Fourth Amended Joint Plan of Reorganization (the "Confirmation Order"). Under the Plan and Confirmation Order, the Court retained jurisdiction to consider final applications of retained professions.

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

### **Sitrick Retention**

3. On June 1, 1999, the Debtors filed their Application for an Order Authorizing Them to Retain and Employ Sitrick And Company Inc. as Corporate Communications Consultants (the "Employment Application"). On that same date, an order was entered by the Court approving the Employment Application and authorizing

the retention of Sitrick (the "Retention Order"). A true and correct copy of the Retention Order is attached hereto as Exhibit A.

4. Sitrick charged for its services in accordance with its ordinary and customary hourly rates in effect on the dates that services are rendered. These hourly rates are similar to those charged by Sitrick for similar services in other bankruptcy and non-bankruptcy matters. (The only variance in rates is that some professionals' standard hourly rate may have increased based upon experience for new engagements but remained the same for existing clients.)

### **RELIEF REQUESTED AND REASONS THEREFOR**

#### **Summary of Relief Requested**

5. Sitrick makes this Application pursuant to: (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 applicable provisions of the Guidelines for Applications for Compensation and Reimbursement of Expenses of Professionals adopted by the Office of the United States Trustee (the "Guidelines"); and (d) the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

6. Sitrick hereby seeks final allowance of compensation for services rendered and reimbursement of expenses for the Compensation Period as follows:

- a. Compensation in the amount of \$699,836.25 in connection with services rendered during the Compensation Period. Sitrick has listed each of its professionals and the hourly rate for each in the summary that, pursuant to Local Rule 2016-2(c)(ii), is appended to the front of

this Application and incorporated herein by reference. Also, pursuant to Local Rule 2016-2(c)(ii), a summary of the total hours incurred and fees charged is appended to the front of this application.

- b. Reimbursement of actual and necessary expenses of \$257,000.63 incurred in connection with Sitrick's services. Pursuant to Local Rule 2016-2(c)(ii), a summary of these expenses is appended to the front of this Application.

#### **Prior Fee Applications and Payments**

7. Sitrick filed seven interim applications setting forth in detail actual and necessary professional services rendered on behalf of the Debtors, together with actual and necessary expenses incurred on behalf of the Debtors. Copies of the prior applications and orders approving them are available upon request.

8. No objections were lodged against any of Sitrick's prior applications. As a result, Sitrick has received payment of 100% of the fees and expenses requested in the prior applications from the Debtors for which final approval is sought herein.

9. Sitrick has not received any other payments from any source for services rendered or to be rendered in connection with this case.

#### **SERVICES RENDERED BY SITRICK**

10. During the Compensation Period, Sitrick professionals billed their time devoted to matters on behalf of the Debtors' estates. The professionals with Sitrick who rendered services for the Debtor are listed in Exhibit B, attached, on a monthly basis. Exhibit B contains the summaries previously submitted to the Court in connection with each of the interim fee applications.



11. Sitrick's professionals expended a total of 3,475.36 hours rendering services to the Debtors for a total fee of \$699,836.25.

### **EXPENSES INCURRED BY SITRICK**

12. Section 330 of the Bankruptcy Code authorizes "reimbursement for actual, necessary expenses" incurred by professionals employed in a Chapter 11 case. Accordingly, Sitrick seeks reimbursement for expenses ("Expenses") incurred in rendering services to the Debtors during the Compensation Period, in the amount of \$257,000.63. Summaries of the expenses by month are attached hereto as Exhibit C as were previously submitted to the Court in connection with the interim applications.

13. Sitrick maintains the following policies with regard to Expenses:

a. In House Charges –

- i. Copies: Sitrick charges \$.15 per page for internal copies.
- ii. Faxes: Sitrick charges \$1 per page for outgoing facsimile documents and there is no charge for incoming facsimile documents.
- iii. Third Party Vendors: All third party vendor charges are passed through at exactly the same price as they are charged to Sitrick without any markup.

### **ADJUSTMENTS TO FEES AND EXPENSES**

14. Consistent with its own internal policies and to comply with the "reasonableness" requirements of Section 330 of the Bankruptcy Code, Sitrick has reviewed its monthly service descriptions and expense detail to determine if any adjustments to fees and expenses are appropriate. Sitrick has made adjustments to reduce

fees and costs at the time of the submission of each of the interim applications. This Application reflects these adjustments.

### **OTHER FACTORS IN CONSIDERING APPLICATION**

15. The Bankruptcy Code and Guidelines suggest a number of factors to consider in evaluating compensation for professionals that are discussed below:

**a. Time Spent and Rates Charged:**

Sitrick has spent 3,475.36 representing a fee of \$699,836.25 for a blended rate of approximately \$201 per hour.

**b. Whether the Services were Necessary or Beneficial to the Estate:**

The Debtors deemed the communication consulting services necessary and requested such services of Sitrick. Sitrick is of the opinion that crisis communications to employees, customers, vendors, shareholders, lenders and media are critical to preserving the going concern value of a reorganizing debtor and minimizing the stigma of a bankruptcy filing. Without the support of those persons working closely with a reorganizing debtor, the reorganization efforts could be significantly hampered. The first step to obtaining that support is appropriate communication. Sitrick's services were to assist the Debtors with those critical communications.

The services provided by Sitrick in these cases allow other professionals and the Debtors' management to focus better on their respective competencies and jobs in the management and reorganization of the Debtors' businesses.

**c. Whether the Services were Performed Within a Reasonable Time Commensurate with the Complexity, Importance, Nature of the Problem, Issue or Task Addressed:**

Given the time sensitive nature of the services provided by Sitrick, the majority of the services were provided at or around the commencement of these cases when communications with all of those persons and businesses closely related to the Debtors' enterprises are most critical. Sitrick has managed the use of its professionals to ensure that work was performed efficiently and economically.

**d. Whether Compensation is Reasonable Based on the Customary Compensation Charged by Comparably Skilled Practitioners in Non-bankruptcy Cases:**

As stated above, Sitrick is charging for its services in accordance with its ordinary and customary hourly rates in effect on the dates that services are rendered. These hourly rates are similar to those charged by Sitrick for similar services in other bankruptcy and non-bankruptcy matters, subject only to minor variance as stated in paragraph 5 above.

**CONCLUSION**

16. The fees requested herein by Sitrick are based upon Sitrick's ordinary and customary hourly rates that are similar to those applied to services for both bankruptcy and nonbankruptcy related matters during the Compensation Period. The expense reimbursements for internal charges requested herein by Sitrick are based upon Sitrick's ordinary and customary piece rates. The expense reimbursements for third party charges requested herein by Sitrick are based upon the ordinary and customary charges by such parties to Sitrick for other clients on both bankruptcy and nonbankruptcy related matters.

17. No agreement or understanding exists between Sitrick or any third person for

the sharing of compensation, except as allowed by Section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016 with respect to sharing of compensation between and among partners of Sitrick.

18. All of the services for which compensation is requested hereunder were rendered at the request of and solely on behalf of the Debtors, and not on behalf of any other entity.

19. The Certification of Michael S. Sitrick in accordance with the Guidelines and Local Rules is attached hereto.

WHEREFORE, Sitrick respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit D: (i) awarding final compensation of \$699,836.25 for services rendered in connection with these Chapter 11 cases during the Compensation Period; (ii) awarding final reimbursement of Expenses incurred during the Compensation Period of \$257,000.63; and (iii) granting such other and further relief as the Court may deem proper.

Dated: March 4, 2002



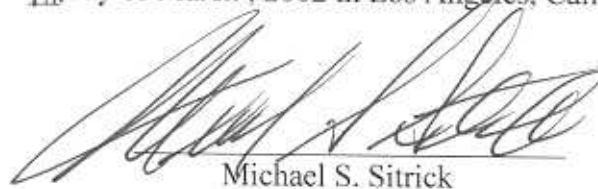
Michael S. Sitrick  
SITRICK AND COMPANY INC.  
1840 Century Park East  
Suite 800  
Los Angeles, California 90067  
(310)788-2850

## CERTIFICATION OF MICHAEL S. SITRICK

1. I, Michael S. Sitrick, declare as follows:
2. I am the Chairman and Chief Executive Officer of Sitrick And Company Inc. ("Sitrick"). The following facts are within my personal knowledge and if called upon to testify, I could and would competently testify hereto.
3. I have read the foregoing Application and certify that, to the best of our ability, the Application complies with the requirements of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules for the U.S. Bankruptcy Court for the District of Delaware, the Guidelines of the Office of the U.S. Trustee, and the previous orders in this case applicable to professional compensation.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 4<sup>th</sup> day of March, 2002 in Los Angeles, California.



Michael S. Sitrick