

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: :
: Jointly Administered
LOEWEN GROUP INTERNATIONAL, : Case No. 99-1244 (PJW)
: Chapter 11
INC., a Delaware corporation, et al., : **Objection Due By: March 25, 2002**
: **at 4:00 PM (ET)**
Debtors. : **Hearing Date: May 10, 2002 at 2:00 p.m.**

**NOTICE OF SEVENTH AND FINAL APPLICATION OF WILLIAM M. MERCER,
INCORPORATED, FOR PROFESSIONAL SERVICES RENDERED TO THE LOEWEN
GROUP RELATED TO THE DEVELOPMENT OF A KEY EMPLOYEE RETENTION
PROGRAM (KERP) DESIGNED TO COMPENSATE LOEWEN EXECUTIVES AND
EMPLOYEES DURING THE PENDING CHAPTER 11 CASES.
(FOR THE PERIOD JUNE 1, 1999 THROUGH JANUARY 1, 2002.)**

Name of Applicant: William M. Mercer, Incorporated

Authorized to Provide Professional Services to: Debtors

Date of Retention: June 1, 1999

Period for which Compensation and Reimbursement is sought: June 1, 1999 – January 1, 2002

Amount of interim compensation sought as actual, reasonable and necessary: \$0

Amount of interim reimbursement sought as actual, reasonable and necessary: \$0

Amount of compensation sought as actual, reasonable and necessary: \$170,932.29

Amount of reimbursement sought as actual, reasonable and necessary: \$6,282.84

This is an ____ interim x final application

If this is not the first application filed, disclose the following for each prior application:

Date Application on File	Period Covered	Docket No.	Amount Fees Requested	Amount Compensation Requested	Method of Approval for Payment²	Amount Fees Paid	Amount Expenses Paid	Balance Due
09/07/99	06/01/99 – 07/31/99		\$95,527.71	\$4,225.30		\$95,527.71	\$4,225.30	Nil
10/15/99	08/01/99 – 08/31/99		\$28,703.57	\$185.26		\$28,703.57	\$185.26	Nil
11/20/99	09/01/99 – 09/30/99		42050.93	\$630.80		42050.93	\$630.80	Nil
12/21/99	10/01/99 – 10/31/99		\$2,608.31	\$87.99		\$2,608.31	\$87.99	Nil
12/01/99	10/28/99 – 11/28/99		\$1,921.77	\$99.23		\$1,921.77	\$99.23	Nil
04/06/00	03/01/00- 03/31/00		\$120.00	\$1,054.26		\$120.00	\$1,054.26	Nil
TOTAL	06/01/99 – 03/31/00		\$170,932.29	\$6,282.84		\$170,932.29	\$6,282.84	Nil

ATTACHMENT TO FEE APPLICATION

(For the period June 1, 1999 through January 1, 2002)

Name of Professional Person	Position of the Applicant, Number of Years in that Position, Office	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
Christine Allan	Consultant/2/Vancouver Office	135.38*	26.5	3587.62
Noreen Asfour	Administrator Assistance/10/New York Office	120.00	8	960.00
Barry Buck	Consultant/8/New York Office	375.00	7	2625.00
Peter Chingos	Principal – US Practice Director/20/New York Office	400.00	18	7200.00
Ngoc Dinh	Analyst/1/New York Office	125.00	45.5	5687.50
Todd Denmark	Analyst/3/New York Office	125.00	5	625.00
Stephen Eliseo	Principal/8/New York Office	400.00	5.75	2300.00
Margaret Engel	Principal/10/New York Office	400.00	216.5	86,900.00
David Falkoff	Analyst/2/New York Office	150.00	5	750.00
Amy Freundlich	Analyst/3/New York Office	220.00	12	2640.00
Sandra Galeano	Production/5/New York Office	75.00	3	225.00
John Hammond	Principal/2/Vancouver Office	201.43/214.63*	125.55	25906.67
Jason Imoo	Analyst/2/Vancouver Office	85.85/99.06*	102.25	8857.61
Janice Lazarus	Administrator Assistance/2/Vancouver Office	81.89*	1.83	149.86
Mary McLeod	Word Processor/10/New York Office	120.00	1.25	150.00
Karyn Meola	Analyst/4/New York Office	245.00	36.25	8,881.25
Marilyn Ramos	Administrator Assistance/10/New York Office	120.00	2	240.00
Carol Silverman	Principal/4/New York Office	400.00	30	12000.00
Julie Spiers	Administrator Assistance/5/Vancouver Office	69.34/82.55*	8.33	618.30
Leacock Quinones	Administrator Assistance/5/New York Office	120.00	3.5	420.00
R. Walker	Administrator Assistance/2/Vancouver Office	75.95*	2.75	208.85
Grand Total			665.96	\$170,932.29

**NOTE: Hourly rate of staff members located in Canada are converted to \$US dollars using a factor of .6604.*

EXPENSE SUMMARY

(For the period June 1, 1999 through January 1, 2002)

Expense Category	Service Provider (if applicable)	Total Expenses
Out-of-Town Travel		\$3,721.63
Meals		72.55
Document Service	Disclosure Incorporated	1,054.26
Delivery/Courier Service	UPS/LRM/Federal Express	190.62
Telephone	Local and Long Distance/AT&T	289.86
GST Tax		99.23
	Grand Total:	<u>\$6,282.84</u>

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re : Jointly Administered
 : Case No. 99-01244 (PJW)
LOEWEN GROUP INTERNATIONAL, : Chapter 11
INC., a Delaware corporation, et al., : **Objections Due By: March 25, 2002**
 : **at 4:00 PM (ET)**
Debtors. : **Hearing Date: May 10, 2002 at 2:00 p.m.**

**NOTICE OF SEVENTH AND FINAL APPLICATION OF WILLIAM M. MERCER,
INCORPORATED, FOR PROFESSIONAL SERVICES RENDERED TO THE LOEWEN
GROUP RELATED TO THE DEVELOPMENT OF A KEY EMPLOYEE RETENTION
PROGRAM (KERP) DESIGNED TO COMPENSATE LOEWEN EXECUTIVES AND
EMPLOYEES DURING THE PENDING CHAPTER 11 CASES.
(FOR THE PERIOD JUNE 1, 1999 THROUGH MARCH 31, 2000.)**

William M. Mercer, Incorporated ("WMM") respectfully represents as follows:

1. WMM served as compensation consultants for the above-captioned debtors and debtors-in-possession (the "Debtors").
2. On June 1, 1999, the Debtors filed voluntary petitions for reorganization under chapter 11 of title 11 the United States Code (the "Bankruptcy Code").
3. By its Order Approving William M. Mercer, Incorporated as compensation consultants For The Debtors In Possession, the Court authorized the Debtors to retain WMM as compensation consultants to the Debtors in these cases.
4. By its Administrative Order, Pursuant To Sections 105(a) And 331 Of The Bankruptcy Code, Establishing Procedures For Interim Compensation And Reimbursement Of Expenses Of Professionals (the "Interim Compensation Order") (D.I. 569) dated August 24, 1999, the Court established a procedure for interim compensation and reimbursement of expenses for all professionals in these cases. In particular, the Court authorized the submission on negative notice of monthly interim fee applications by professionals employed under sections 327, 328 or 1103 of the Bankruptcy Code (which includes professionals employed by the Debtors) and a procedure by which,

in the absence of any objection to the interim fee application, the Debtors could pay 100% of the fees requested and 100% of the disbursements requested.

5. By its Amended Administrative Order, Pursuant To Sections 105(a) And 331 Of The Bankruptcy Code, Establishing Procedures For Interim Compensation And Reimbursement Of Expenses Of Professionals (D.I. 5859) (the "Amended Administrative Order") dated December 12, 2000, the Court established revisions to the procedures for interim compensation and reimbursement of expenses for all professionals in these cases. In particular, the Court authorized that, upon the expiration of twenty (20) days after the service (the "Objection Deadline"), the Professional may file a Certificate Of No Objection with the Court, after which the Debtors are authorized to pay each Professional an amount (the "Actual Interim Payment") equal to the lesser of (i) 80 percent of the fees and 100 percent of the expenses requested in such monthly interim fee application and (ii) 80 percent of the fees and 100 percent of the expenses not subject to an objection.

6. On December 4, 2001, this Court entered the Findings Of Fact, Conclusions Of Law And Order Confirming Fourth Amended Joint Plan Of Reorganization Of Loewen Group International, Inc., Its Parent Corporation And Certain Of Their Debtor Subsidiaries, As Modified (D.I. 8671) (the "Confirmation Order") confirming the Fourth Amended Joint Plan Of Reorganization Of Loewen Group International, Inc., Its Parent Corporation And Certain Of Their Debtor Subsidiaries, As Modified (the "Plan"). Under the Plan and the Confirmation Order, the Court retained jurisdiction to consider final applications by retained professionals. These applications had to be filed within sixty days of January 2, 2002, the Plan's effective date. Pursuant to the Confirmation Order, WMM submits this fee application for a final order (the "Seventh And Final Fee Application") for final allowance of compensation for actual and necessary professional services by it as counsel for the Debtors in the amount of \$170,932.66 (of which the sum of \$170,932.66 was previously paid pursuant to prior orders of this Court), together with reimbursement for actual and necessary expenses incurred in the amount of \$6,282.84 (of which the sum of \$6,282.84 was previously paid pursuant to prior orders of this Court) for

the period June 1, 1999 through and hereby January 1, 2002 (the "Application Period"). This is WMM's Seventh And Final fee application. As indicated above, WMM has filed six prior 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, for the period from June 1, 1999 to March 31, 2000.

7. Any payment made pursuant to the interim monthly fee applications under either procedure is subject to final approval of all fees and expenses. Upon approval of a professional's final fee application, the Debtors will be authorized to pay the 20% holdback and any other amounts remaining unpaid that are approved.

8. Accordingly, WMM has effectively completed its work for the Debtors and is now representing the reorganized Debtors. Although WMM and the Debtors believe that substantially all transition work has been accomplished, there may be discrete tasks or discussions regarding the prior conduct of the cases for which WMM may later seek compensation.

9. WMM submits the Seventh Interim Fee Application (i) for allowance of reasonable compensation for actual, reasonable and necessary professional services by it as counsel for the Debtors in these cases for the period from December 1, 2001 Through January 1, 2002, and (ii) for reimbursement of actual, reasonable and necessary expenses incurred in representing the Debtors during that same period. This application is made pursuant to the provisions of sections 327, 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the WMM Retention Order and the Interim Compensation Order

³ *These applications and the order approving them are available upon reasonable request.*

10 Professional services and expenses for which compensation and reimbursement are sought were rendered and expended on behalf of the Debtors pursuant to chapter 11 of the Bankruptcy Code. WMM believes it is appropriate that it be compensated for the time spent and be reimbursed for the expenses incurred in connection with these matters.

Fee Statements

11. This is WMM's seventh and final fee application. as indicated above, WMM has filed six prior 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, for the period from June 1, 1999 to January 1, 2002.' These interim monthly applications are listed in the chart as Exhibit A along with the amounts of fees and expenses requested, the amounts WMM has been paid, the balance remaining due and the docket number of cash monthly application.

12. The attorneys and paraprofessionals with WMM who rendered services for the Debtors are listed in Exhibit B., attached, on a monthly basis. In addition;, WMM has maintained daily records of the time spent in the rendering of professional services during the period December 1, 2001 through January 1, 2002. Statements of services and summaries of the value of services provided to the Debtors along with logs, sorted by date, which show how much time was recorded by each professional and descriptions of the services provided during the period from December 1, 2001 through January, 2002 are also contained in Exhibit B attached hereto.

13. WMM's consultants and paraprofessionals expended a total of 665.96 hours rendering services to the Debtors during the period of WMM's employment in these cases. The blended rate for these services over Application Period is \$ 256.71.

Disbursements

14. WMM has incurred actual, reasonable and necessary out-of-pocket disbursements during the Application Period in the amount of \$6,282.84. This disbursement sum is broken down into categories of charges and the monthly summaries of the expenses incurred by WMM is included in Exhibit C attached hereto.

15. WMM charges nothing per page for photocopying.

16. WMM charges nothing per page for outgoing facsimiles and nothing for incoming facsimiles.

17. WMM has endeavored to represent the Debtors in the most expeditious and economical manner possible. Tasks have been assigned to consultants and secretaries at WMM so that work has been performed by those most familiar with the particular matter or task and, where consultants involvement was required, by the lowest hourly rate professional appropriate for a particular matter. Moreover, WMM has sought to coordinate with other professionals involved in these cases so as to minimize any duplication of effort and to minimize attorneys' fees and expenses to the Debtors. We believe we have been successful in this regard.

18. WMM is holding \$0.00 as an advance against services and disbursements from the Debtors.

19. No agreement or understanding exists between WMM and any other person for the sharing of compensation received or to be received for services rendered in or in connection with these cases.

20. The undersigned has reviewed the requirements of Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware and certifies to the best of his information, knowledge and belief that this application complies with Local Rule 2016-2.

WHEREFORE, William M. Mercer, Incorporated respectfully requests that this Court enter an order substantially in the form attached hereto (i) approving final compensation in the sum of \$170,932.28 for actual, reasonable and necessary professional services rendered on behalf of the Debtors during the Application Period and actual costs and expenses incurred during the Application Period in the amount of \$6,282.84, and granting such other relief as the Court may deem just and proper.

Dated: New York, New York

February 25, 2002

WILLIAM M. MERCER, INCORPORATED

/s/
