

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: :
McLEODUSA INCORPORATED, : Case No. 02-10288 (RSB)
: :
Debtor. :
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**FINAL ORDER ALLOWING COMPENSATION
TO MILBANK, TWEED, HADLEY & McCLOY LLP FOR
FEES AND EXPENSES INCURRED AS COUNSEL
FOR OFFICIAL COMMITTEE OF UNSECURED CREDITORS [D.I. 210]**

Milbank, Tweed, Hadley & McCloy LLP ("Milbank"), counsel for the Official Committee of Unsecured Creditors (the "Committee") of McLeodUSA Incorporated (the "Debtor") applied for entry of an order:

(1) Approving and allowing on a final basis (a) compensation in the amount of \$132,241.50, which amount represents the actual, reasonable and necessary professional services rendered by Milbank to the Committee during the period from January 31, 2002 through April 30, 2002, and (b) reimbursement of expenses incurred by Milbank in connection therewith in the amount of \$13,724.85, the aggregate amount of such fees and expense equaling \$145,966.35;

(2) Approving and allowing on a final basis, and directing the Debtor to pay to Milbank compensation and expenses in the amount of \$3,000

incurred in the preparation and prosecution of Milbank's final fee application (the "Application").

Based upon the foregoing, and after giving credit to the Debtor for the amount of Milbank's retainer in the amount of \$68,559.43, the total amount that Milbank seeks for Milbank's unpaid fees and expenses in this chapter 11 case is \$77,406.92 plus \$3,000 for fees and expenses incurred in the preparation and prosecution of the Application, and Milbank requests that the Court order the Debtor to pay such sum to Milbank.

The Court having reviewed the Application, and upon the record and after due deliberation thereon, and due and proper notice of the Application having been given, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that the Application be, and hereby is, granted in its entirety, and, accordingly, (i) Milbank's fees and expenses of \$148,966.35 as requested in the Application are hereby approved and allowed on a final basis (inclusive of fees and expenses requested in connection with preparation of the Application); (ii) the Debtor is ordered and directed to promptly pay to Milbank the amount of \$80,406.92; and (iii) Milbank is authorized to draw down the entire amount of its \$68,559.43 retainer to pay the remaining balance of its outstanding fees and expenses.

Dated: Wilmington, Delaware
May , 2002

July 8, 2002


UNITED STATES BANKRUPTCY JUDGE