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Hearing Date: March 27, 2003 at 11:00 a.m.
Objection Deadline: March 21, 2003 at 5:00 p.m

Counsel for Metromedia Fiber Network, Inc., et al.
Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- X

In re:

METROMEDIA FIBER NETWORK, INC., et al.,
Debtors.

Chapter 11

Case Nos.
02-22736 (ASH) through
02-22742 (ASH); 02-22744
(ASH) through 02-22746
(ASH); 02-22749 (ASH); 02-
22751 (ASH) through 02-22754
(ASH)

(Jointly Administered)

----- X

**SECOND APPLICATION OF KRONISH LIEB WEINER & HELLMAN LLP,
COUNSEL FOR THE DEBTORS, FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
SEPTEMBER 1, 2002 THROUGH JANUARY 31, 2003**

TO THE HONORABLE ADLAI S. HARDIN, JR.
UNITED STATES BANKRUPTCY JUDGE:

Kronish Lieb Weiner & Hellman LLP (the "Applicant"), counsel to Metromedia Fiber Network, Inc. and its debtor subsidiaries¹ (each a "Debtor" and collectively, the "Debtors" and/or "Debtors in Possession"), in the above-captioned Chapter 11 case, respectfully represents:

¹ The subsidiaries who have filed Chapter 11 petitions are: Metromedia Fiber Network Services, Inc., AboveNet Communications, Inc., SiteSmith, Inc., PAIX.net, Inc., Metromedia Fiber Network of Illinois, Inc., MFN Purchasing, Inc., Metromedia Fiber Network of New Jersey, Inc., MFN of Utah, L.L.C., MFN of Virginia, L.L.C., Metromedia Fiber National Network, Inc., Metromedia Fiber Network International, Inc., MFN International, L.L.C., MFN Japan Backhaul, Inc., and MFN Europe Finance, Inc.

Introduction

1. This is Applicant's second application (the "Application") for an interim allowance of compensation and reimbursement of expenses pursuant to section 331 of chapter 3 of title 11 of the United States Code, et seq., as amended (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Local Rules of the United States Bankruptcy Court for the Southern District of New York (the "Local Rules") and this Court's Order Pursuant to sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, dated June 5, 2002 (the "Interim Compensation Procedures Order").

2. This Application requests compensation for legal services rendered by the Applicant on behalf of the Debtors **for the period September 1, 2002 through January 31, 2003** (the "Compensation Period") and reimbursement of certain expenses incurred by (or first billed by outside vendors to) the Applicant during the Compensation Period in connection with the rendition of such services. This Application complies with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Procedures Order, as stated in the certification dated February 25, 2003 accompanying this Application, made on behalf of the Applicant by Lawrence C. Gottlieb, Esq. (the "Certification"). The Certification is attached hereto as "**Exhibit A**" to this Application.

3. This Application seeks an allowance of compensation in the amount of **\$2,148,019.85** representing Applicant's actual time charges after a voluntary discount of **\$170,083.15** for **7,654.40** hours of services rendered during the Compensation Period and reimbursement for expenses in the amount of **\$92,560.06** incurred by (or first billed by outside

vendors to) the Applicant and recorded during the Compensation Period, all as more fully set forth below.

4. As highlighted above, pursuant to an agreement with the Debtors, Applicant has voluntarily granted the Debtors a 10% discount on fees greater than \$250,000 and less than \$400,000 and a 25% discount on fees greater than \$400,000. The total amount of discount given to the Debtors during this Compensation Period is **\$170,083.15**. The fees requested are as follows:

Month	Fees	Discount Given	Net Fees Sought
September, 2002	\$507,390.50	\$41,840.00	\$465,550.50
October	\$551,462.50	\$53,974.15	\$497,488.35
November	\$413,582.50	\$18,395.00	\$395,187.50
December	\$371,195.50	\$12,195.00	\$359,000.50
January, 2003	\$474,472.00	43,679.00	\$430,793.00
Total	\$2,318,103.00	\$170,083.15	\$2,148,019.85

5. Pursuant to the United States Trustee Guidelines, Applicant has attached a summary sheet of total compensation requested in this Application as **Exhibit “B”** and has broken down this Application, and attached time sheets, into “project categories” as more fully described below.

Background

6. On May 20, 2002 (the “Commencement Date”) the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with the Clerk of this Court. The Debtors have continued in the management and operation of their businesses and properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. An official committee of unsecured creditors (the “Committee”) has been appointed in these cases.

7. The Debtors, together with MFN’s non-debtor subsidiaries (collectively, the “Company”) provides fiber optic infrastructure, high-bandwidth internet connectivity and

managed internet infrastructure services for its communications intensive customers. The Company is a facilities-based provider of technologically advanced, high-bandwidth, fiber optic communications infrastructure to communications carriers and corporate and government customers in the United States and Europe. The Company also provides high-bandwidth internet connectivity, co-location services and a comprehensive internet infrastructure management solution that includes design and architecture, hardware and software, installation, and ongoing management.

8. The Company combines the most extensive metropolitan area fiber network with a global optical internet protocol network, state-of-the-art data centers and managed services to deliver fully integrated, outsourced communications solutions as well as point solutions for carriers, companies, and government. The Company has assembled a strategic set of physical and intellectual assets that enable the Company to deliver its digital communications infrastructure solutions.

Applicant's Retention

9. On May 20, 2002, the Debtors filed an application to employ the Applicant as its co-counsel pursuant to section 327(a) of the Bankruptcy Code, as to which there was no objection. The Court approved the retention of the Applicant on an interim basis by order dated May 20, 2002 and on a final basis on June 5, 2002.

10. On November 7, 2002, the Court awarded the Debtors \$1,542,191.00 for services rendered and \$104,370.26 for expenses incurred during the time period of May 20, 2002 to August 31, 2002.

11. During the Compensation Period, Applicant, on behalf of and in consultation with the Debtors, maintained an extremely active role in these Chapter 11 cases.

12. To apprise this Court of the legal services rendered during the Compensation Period, Applicant sets forth the following summary of legal services rendered:

**SERVICES RENDERED DURING PRESENT COMPENSATION
PERIOD OF SEPTEMBER 1, 2002 THROUGH JANUARY 31, 2003**

13. During the Compensation Period, Applicant's services to the Debtors has included professional advice and representation in connection with discreet categories in this Chapter 11 proceeding. The aggregate hours and amount for each category is set forth as an attachment to this Application. Applicant is requesting fees in the total amount of **\$2,148,019.85** for services rendered during the Compensation Period and reimbursement of expenses in the amount of **\$92,560.06**.

14. The following is a breakdown of the services rendered by the Applicant during the Compensation Period in each of the discreet categories.

Case Administration:

15. This category includes time expended by Applicant relating to a variety of activities regarding the day-to-day management and prosecution of the Chapter 11 cases, including the preparation of notices and service upon creditors, electronic filings, calendaring dates with the Court as well as interaction with the Office of the U.S. Trustee for the Southern District of New York ("U.S. Trustee"), vendors, suppliers, and other professionals including the various secured creditor groups and the Committee. This category includes such activities as: electronic filings, preparation of motions and orders for service, scheduling, and staffing. Also included under this category is time devoted to assisting the Debtors in the preparation of monthly operating reports, and responding to requests for information by various creditors. Applicant conferred with and updated the Debtors on a daily basis regarding the status of the case and advised the Debtors regarding, *inter alia*: asset sales, auditing and SEC issues,

corporate governance, cash collateral, KERP, tax liability, appointment of restructuring professionals, director and officer liability, litigation and settlements with various creditor constituencies.

16. Applicant expended 803 hours of time for a charge of \$194,415 for services rendered with respect to the handling of matters relating to case administration.

Leases and Executory Contracts:

17. This category includes time expended by Applicant with respect to unexpired non-residential leases and executory contracts of the Debtors. The Debtors have hundreds, if not thousands, of unexpired non-residential real property leases, circuit leases, service agreements and other various telecommunication-oriented contracts. Applicant assisted the Debtors in reviewing these contracts and leases so that the Debtors would be in a position to file motions with the Court to (i) assume or reject certain leases and/or executory contracts; (ii) extend the time to assume or reject leases and/or executory contracts; and (iii) modify and enter into new agreements.

18. From the Commencement Date through the date hereof, Applicant has assisted in the rejection of approximately 130 leases and scores of executory contracts.

19. Additionally, Applicant researched numerous legal issues pertaining to: payment of cure amounts, set-off and recoupment, warehouse liens, subtenant claims, cross-default provisions, curing non-monetary defaults, abandonment of personal property, anti-assignment clauses, application of security deposits and the effect of post-petition rejection of employment agreements. Applicant reviewed, negotiated and settled objections to various motions dealing with executory contracts and conferred with the Committee regarding various issues surrounding the Debtors' executory contracts.

20. Specific examples of the Applicant's services in connection with non-residential real property leases include, but are not limited to: (i) negotiating with the Debtors' landlords at various co-location and database centers across the United States to either terminate or reject current leases and to cap any administrative claims; and (ii) negotiating with said landlords to resolve disputes as to the Debtors' equipment located at those sites in order to generate proceeds for the estates and to reduce the monthly lease obligations. Applicant successfully re-negotiated the Debtors' lease obligations with these landlords, which resulted in great savings for the estates and a limitation on the Debtors' liabilities to these landlords.

21. Other specific examples of work done in connection with executory contracts include, but are not limited to: (i) resolving disputes as to rejection of executory contracts with Qwest, Verizon and SBC; (ii) negotiating with XO regarding billing disputes and adequate assurance; (iii) filing motions to compel assumption/rejection and/or payment of administrative claims in other bankruptcy proceedings; (iv) rejecting employment agreements; and (v) negotiating and drafting stipulations of settlement with various executory contract holders. Applicant submits that these services provided great value to the estates by generating substantial savings and/or proceeds for the estates.

22. Applicant expended 1,225.7 hours of time for a charge of \$330,367.50 for services rendered with respect to the handling of matters relating to leases and executory contracts.

Business Operation and Plan:

23. This category includes time expended by Applicant with respect to the business operation and business issues of the Debtors. Included in this category are services rendered by the Applicant relating to: communications with vendors who supply goods and/or services to the Debtors; issues pertaining to corporate governance; setoff; cash management; and budgets.

24. Applicant negotiated with counsel for numerous prepetition customers in order to extend and modify service contracts that generated additional revenue for the estates and engineered settlement agreements with certain of the Debtors' creditors to resolve disputes pertaining to services contracts.

25. Applicant also expended a considerable amount of time reviewing flash reports, financial statements, cash flow analyses and discussing the business plan and financials with the Debtors' management, other professionals, and the Committee.

26. Applicant expended 48.6 hours of time for a charge \$17,112.50 for services rendered with respect to the handling of these matters.

Financing:

27. This category includes time expended by Applicant on negotiating stipulations with Citibank and Silicon Valley Bank in connection with certain Debtors' letters of credit. Applicant expended 71.7 hours of time for a charge of \$25,673.50 for services rendered with respect to the handling of matters relating to financing.

Retention of Professionals/Compensation Fee Applications:

28. This category includes time expended by Applicant with respect to the retention and compensation of various professionals for the Debtors. Applicant drafted and revised retention applications for the Debtors' investment banker, auctioneers, brokers, special tax counsel, the Debtors' president and C.E.O., and turnaround consultant. Applicant reviewed the fee applications of professionals retained by both the Debtors and the Committee, and prepared an objection to the fees of certain professionals seeking reimbursement from the estates.

29. Applicant responded to the U.S. Trustee's objections to the Debtors' professionals' retention and fee applications and drafted the Applicant's First Interim Fee Application.

30. Applicant expended 234.5 hours of time for a charge of \$63,398.50 for services rendered with respect to the handling of matters relating to the retention of professionals.

Claims:

31. This category includes time expended by Applicant with respect to various claims against the Debtors. Included in this category are: services rendered relating to conference calls with creditors concerning their claims; reviewing and negotiating with creditors regarding numerous claim disputes; and drafting proofs of claims and administrative claims in other bankruptcy proceedings.

32. The Applicant expended a large amount of time in connection with research and drafting memoranda of law in connection with real estate and property taxes as well as section 505 of the Bankruptcy Code. Applicant also analyzed these tax issues with Ernst & Young, the Debtors' tax advisors.

33. Applicant also negotiated with and settled numerous claims filed against the Debtors' estates and has been analyzing the claims of certain creditors in anticipation of various claims objections. Applicant analyzed the validity, extent and priority of those claimants with alleged security interests in the Debtors' assets. Additionally, Applicant prepared motions to compel administrative payments against various of the Debtors' customers. Applicant researched issues pertaining to set-off and recoupment, automatic stay and other pertinent provisions of the Bankruptcy Code.

34. Applicant expended 260.3 hours of time for a charge of \$72,282.50 for services rendered with respect to the handling of matters relating to claims.

Plan and Disclosure Statement:

35. This category includes time expended by Applicant preparing the Debtors' plan of reorganization ("Plan") including negotiations, meetings and conference calls with the Debtors'

management, counsel for the Committee and other creditor constituencies regarding the provisions of the Plan. Applicant researched the treatment of secured creditors under section 1129 of the Bankruptcy Code and spent a large amount of time formulating and drafting the Plan.

36. Additionally, Applicant drafted a second motion to extend the Debtors' time for exclusivity, which was subsequently granted by the Court. Applicant responded to objections to this motion and argued before the Court.

37. Applicant expended 159.2 hours of time for a charge of \$56,122.50 for services rendered with respect to the handling of these matters relating to the plan and disclosure statement.

Asset Dispositions:

38. This category includes time expended by Applicant with respect to the sale of certain assets of the Debtors. Applicant analyzed various offers, term sheets and commitment letters in connection with the sale of the Debtors' assets, data centers and divisions including: (i) the sale of the Debtors' PAIX.net, Inc. division (\$43 million); (ii) the sale of the Debtors' Seattle, Washington data center (\$13 million); (iii) the Debtors' Reston, VA data center (\$23 million); (iv) the proposed sale of the Debtors' Los Angeles data center to Computers Online Networks Incorporated; and (iv) the sale of Debtors' telecommunication assets, which are valued at less than \$2 million.

39. Applicant held meetings to discuss the viability and adequacy of these offers with the Debtors; and considered different options and analyzed the effect of these sales on the Debtors' businesses and various creditor constituencies. Applicant negotiated, drafted and reviewed asset purchase agreements, bid procedures and related documents thereto, including negotiations concerning break-up fees and stalking horses.

40. Applicant also drafted motions in connection with certain of these assets sales and researched the legal standard to be applied in connection with bid procedures and asset sales. Applicant conducted auctions to ensure that the highest and best offers were accepted in connection with the PAIX.net, Inc. and Reston, VA sales. Additionally, Applicant negotiated, settled and litigated against various objections to the bid procedures and asset sale motions.

41. In connection with the asset sales, Applicant researched pertinent sections of the Bankruptcy Code, bulk transfer laws, sales tax exemptions, assumption and cure issues, contract divisibility and SEC reporting issues.

42. As a result of Applicant's services, the Debtors generated millions of dollars for the estates from sales that the Debtors believed were necessary for a successful reorganization.

43. Applicant expended 1,653.8 hours of time for a charge of \$584,671 for services rendered with respect to the handling of these matters relating to asset dispositions.

Preparation For and Attending Court Hearings:

44. This category includes time expended by Applicant preparing for and attending Court hearings on matters related to this case. Applicant appeared and conducted hearings during the Compensation Period on a weekly basis. Several of these motions were contested and, accordingly, it was necessary to prepare witnesses for potential evidentiary hearings.

45. The majority of the time expended in this category is for preparation and attendance at hearings regarding the following issues: motions to reject hundreds of leases and executory contracts; numerous cash collateral motions; numerous sales of the Debtors' assets; litigation to recover estate property; as well as litigation concerning various claim disputes. Applicant spent a large amount of time dealing with the initiation of adversary proceedings against various taxing authorities under section 505 of the Bankruptcy Code, seeking to reduce massive personal property tax claims against the Debtors. In connection with all of these

hearings, the Applicant reviewed objections, prepared legal memoranda, filed reply briefs and prepared for oral argument. Applicant has been highly successful in its representation of the Debtors, which has resulted in great savings and increased revenue for the estates.

46. Applicant spent 313.2 hours of time for a charge of \$119,448.00 for services rendered with respect to the handling of matters relating to the preparation for and attendance at Court hearings.

Meetings:

47. This category includes time expended by Applicant for preparation for and attendance at meetings with the Debtors' Board of Directors, Executive Committee, senior management and the Debtors' in-house counsel. The Applicant also prepared for and attended meetings with the Committee and its counsel. Applicant also prepared for and attended internal meetings regarding case assignments, staffing and emergent legal issues including: tax litigation, asset sales, the extent and priority of liens, letters of credit facilities, objection to fees, UCC issues, plan formulation, severance and other employee issues, and post-confirmation corporate structure issues. Applicant met with numerous individual creditors in order to negotiate and resolve disputes to avoid costly litigation.

48. Applicant expended 125 hours of time for a charge of \$53,892.50 for services rendered with respect to preparation and attendance at meetings.

Asset Analysis:

49. This category includes time expended by Applicant analyzing the Debtors' assets. Applicant reviewed the extent and priority of the various security interests filed against the Debtors' assets, including an analysis of financing statements filed by alleged secured parties.

50. Applicant expended 24.5 hours of time for a charge of \$7,007 for services rendered with respect to asset analysis.

Employee Benefits:

51. This category includes time expended by Applicant with respect to employee benefits and severance issues. Applicant analyzed and reviewed the Debtors' employee programs and devised new programs for KERP and the payment of severance. In connection therewith, the Applicant researched and drafted legal memoranda regarding KERP, employee severance and 401(k). Applicant drafted and filed motions regarding KERP and employee severance and negotiated with the Committee and other parties in interest regarding comments and/or objections to these programs.

52. Applicant expended 68.8 hours of time for a charge of \$27,977.50 for services rendered with respect to matters relating to employee benefits.

Litigation:

53. This category includes time expended by Applicant with respect to litigation, including preparation for contested hearings, conducting discovery, drafting motions and memoranda of law, defending depositions, examination of documents, discussions with opposing counsel, preparation of exhibits and schedules, conferences and settlement discussions.

54. During the Compensation Period, Applicant was involved with litigation concerning the following entities:

- Winstar: The Debtors sought to compel payment for services provided by the Debtors to Winstar. This matter was settled pursuant to a stipulation approved by the Court.
- 360 Networks: The Debtors moved to reject an executory contract that was opposed. This matter was settled pursuant to a stipulation approved by the Court.
- Critical Path: Debtors moved to compel payment. This matter was settled pursuant to a stipulation to be approved by the Court.
- Interaqt: Motion by Interaqt to compel payment. This matter was settled pursuant to a stipulation to be approved by the Court.
- Fibernet: The Debtors moved to compel payment. This litigation is still ongoing.

- Opsource: The Debtors initiated an adversary proceeding to compel compliance with contractual terms. This matter was settled pursuant to a stipulation approved by the Court.
- Call-Net: Call-Net initiated an adversary proceeding, seeking declaratory relief in connection with an IRU Fiber Exchange Agreement. The Debtors moved for summary judgment and are awaiting a decision by the Court.
- Global Crossing: Debtors brought a motion to compel payment in the Global Crossing bankruptcy proceeding. This matter was settled pursuant to a stipulation to be approved by the Court.
- Knight Securities: Knight Securities, L.P. initiated an adversary proceeding against the Debtors, seeking declaratory relief as well as damages based on breach of contract. The Debtors have counterclaimed, seeking \$1.8 million in damages based on breach of contract.
- Axciom: Axciom opposed Debtors motion to compel payment of approximately \$13 million.
- Verizon: The Debtors negotiated for the turnover of funds and sale of capacity interests to Verizon. This matter has been settled pursuant to a stipulation approval by the Court.
- CSX: The Debtors opposed CSX's motion to lift the stay in order to terminate its contract with the Debtors. This matter was settled pursuant to a stipulation approved by the Court.
- XO Communications: The Debtors sought a determination of adequate assurance for XO Communications' services to the Debtors. This matter was settled pursuant to a stipulation approved by the Court.
- Network Plus: The Debtors pursued Network Plus for prepetition and postpetition arrearages. This matter was settled pursuant to a stipulation approved by the Court.
- Adelphia: The Debtors prepared a motion to compel assumption and/or rejection of certain executory contracts. This matter was settled pursuant to a stipulation approved by the Court.
- Lexent: The Debtors are seeking a turnover of certain equipment in Lexent's possession. The Debtors' motion for summary judgment was granted and Lexent was ordered to immediately turnover the Debtors' equipment.
- PSINet: Debtors are seeking court approval in the PSINet bankruptcy case to file late proofs of claim.
- Genuity: The Debtors initiated an adversary proceeding, seeking declaratory judgment as to whether an agreement with Genuity is an executory contract.

55. Many of the disputes with parties in interest are ongoing and require automated library research, drafting motions and memoranda of law, conducting discovery, including depositions and document review, as well as attending hearings and presenting oral arguments before the Court. Applicant vigorously prosecuted and/or defended these actions and contested

proceedings and has always attempted to negotiate and resolve these disputes to avoid costly litigation.

56. As indicated above, in connection with certain of these disputes, Applicant successfully negotiated and drafted numerous stipulations of settlement that have been approved by this Court. Applicant believes that these efforts saved the estates an enormous amount of resources by limiting litigation costs whenever possible.

57. Applicant expended 2,044.3 hours of time for a charge of \$577,053 for services rendered with respect to matters relating to litigation.

Cash Collateral:

58. This category includes time expended by Applicant with respect to the Debtors' requests for the use of cash collateral. Applicant negotiated with the Debtors' secured lenders, and the Committee, and had numerous discussions with Debtors' senior management regarding the covenants, provisions and budget for the use of cash collateral. Applicant negotiated and drafted an interim application and order, a final application and order, and extensions of the final order for use of cash collateral during the Compensation Period. Applicant also reviewed and responded to various objections to the use of cash collateral as well as responded to concerns from various creditor groups.

59. Applicant expended 112.7 hours of time for a charge of \$39,794.50 for services rendered with respect to the handling of matters relating to Debtors' use of cash collateral.

SEC Investigation:

60. This category includes time expended by Applicant with respect to the SEC's investigation of the Debtors. Applicant responded to subpoenas and document requests by the SEC, reviewed documents to be produced in connections with such inquiry, and created privilege

and discovery logs in connection therewith. Applicant also prepared witnesses in connection with the SEC's interviews of certain senior management.

61. Applicant expended 277 hours of time for a charge of \$62,460 for services rendered with respect to the handling of matters relating to Debtors' SEC Investigation.

Garofalo Litigation:

62. This category includes time expended by the Applicant in responding to the New York State Attorney General's investigation of Stephen Garofola. The Applicant responded to the NYSAG's document subpoena, created privilege logs, and reviewed and analyzed the complaint to determine the impact of the investigation against the Debtors. Applicant segregated and redacted privileged documents and sent documents to the Attorney General in compliance with the subpoena.

63. Applicant expended 8 hours of time for a charge of \$2,457 for services rendered with respect to the handling of matters relating to the Garofalo litigation.

Section 505 Litigation

64. This category includes time expended by the Applicant in initiating adversary proceedings against various taxing authorities under section 505 of the Bankruptcy Code, seeking to reduce massive personal property tax claims against the Debtors. Resolution of these section 505 adversary proceedings is crucial to a successful plan of reorganization.

65. Applicant met regularly with the Debtors' management and its tax professionals to formulate a strategy and review the status of the litigation. Applicant also regularly met internally to discuss and review strategy. Applicant drafted and revised 16 adversary proceeding complaints as well as a motion for a preliminary injunction and temporary restraining order against certain tax assessors for 2003 assessments.

66. Applicant researched section 505 case law, tax assessment issues, tax liability issues, sovereign immunity and Ex Parte Young issues. Applicant reviewed the tax code for the various relevant authorities and drafted legal memoranda on said issues.

67. Applicant expended 224 hours of time for a charge of \$69,077.50 for services rendered with respect to the handling of matters relating to section 505 tax litigation.

COMPENSATION REQUESTED

68. Applicant has maintained contemporaneous time records which indicate the time that each attorney has spent working on a particular matter and the nature of the work performed. Copies of these time records are annexed to this Application as **Exhibit "C"**. The total number of hours expended by Applicant's attorneys and para-professionals from September 1, 2002 through January 31, 2003 in conjunction with this case is **7,654.40**. All of the services have been rendered by the those individuals at Applicant's firm as listed on the Applicant's Personnel Chart attached hereto.

69. The foregoing summarizes and describes the services performed by Applicant on behalf of the Debtors during the Compensation Period. The summary is intended, however, only to highlight the general categories of services performed by Applicant on behalf of the Debtors. It is not intended to set forth each and every item of professional service which Applicant performed.

70. Annexed as **Exhibit "D"** is a list of the necessary and actual disbursements incurred during the Compensation Period in connection with the above-described work. The list is derived from Applicant's books and records. These records indicate that Applicant has advanced and will have advanced, from September 1, 2002 through and including January 31, 2003, the sum of **\$92,560.06** in necessary and actual out-of-pocket expenses. In connection with said expenses, it should be noted that Applicant charges \$1.00 per page for outgoing

telefacsimilies with no charge for incoming telefacsimilies, 15¢ per page for photocopying and charges for meals only necessitated by meetings with the Debtors or when Applicant's personnel would work on these cases through a normal meal period.

MATTERS PERTAINING TO APPLICANT

71. Applicant rendered all of the professional services for which compensation is requested herein in connection with the Debtors' Chapter 11 cases in furtherance of Applicant's professional responsibilities as attorneys for the Debtors.

72. This Application covers a period of approximately 150 days. During that time, the partners, associates and para-professionals of Applicant devoted substantial time in rendering professional services to the Debtors, all of which time was reasonable and necessary.

73. Applicant, by experience, training and ability, is fully qualified to perform the services for which compensation is sought here. Applicant represents or holds no interest adverse to the Debtors with respect to the matters upon which it is engaged.

74. No agreement or understanding exists between Applicant and any other entity for the sharing of compensation to be received for services rendered in or in connection with these Chapter 11 cases.

75. Applicant respectfully submits that the professional services it rendered during the Compensation Period to the Debtors were necessary and beneficial to the Debtors and respectfully requests that this Court allow and direct the Debtors to pay Applicant the sum of **\$2,148,019.85** for its services during the Compensation Period, plus the sum of **\$92,560.06**, representing Applicant's actual and necessary out-of-pocket disbursements incurred during the Compensation Period, for a total award of **\$2,240,579.91**.

76. No prior application for the relief sought herein has been made to this or any other Court, except as specified herein.

NOTICE

Copies of the Notice and Application have been served upon those parties on the master service list with an opportunity to get a copy of Exhibit “C” to the Application from the Applicant free of charge. A complete copy of the Application with Exhibit “C” has been sent to counsel for the Committee and the U.S. Trustee.

CONCLUSION

WHEREFORE, Kronish Lieb Weiner & Hellman LLP hereby respectfully requests that this Court enter an order: (a) approving and allowing (i) compensation of Kronish Lieb Weiner & Hellman LLP for its duly authorized, necessary and valuable service to the Debtors during the Compensation Period in the aggregate amount of **\$2,148,019.85** and (ii) reimbursement to Kronish Lieb Weiner & Hellman LLP for actual and necessary expenses incurred during the Compensation Period in connection with the aforesaid services in the aggregate amount of **\$92,560.06**; (b) directing the Debtors to pay said amounts to Applicant; and (c) granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
February 25, 2003

KRONISH LIEB WEINER & HELLMAN LLP
Counsel for the Debtors
1114 Avenue of the Americas
New York, NY 10036
(212) 479-6000

By: /s/ Lawrence C. Gottlieb
Lawrence C. Gottlieb (LG-2565)
A Member of the Firm

EXHIBIT "A"

KRONISH LIEB WEINER & HELLMAN LLP
1114 Avenue of the Americas
New York, NY 10036
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Richard S. Kanowitz (RK 0677)

Counsel for Metromedia Fiber Network, Inc., et al.
Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

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Debtors.

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Chapter 11

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(ASH) through 02-22746
(ASH); 02-22749 (ASH); 02-
22751 (ASH) through 02-22754
(ASH)

(Jointly Administered)

CERTIFICATION

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

LAWRENCE C. GOTTLIEB, being first duly sworn, deposes and says;

1. I am a member of the firm of Kronish Lieb Weiner & Hellman LLP ("Applicant")
counsel to Metromedia Fiber Network, Inc. and its debtor subsidiaries (the "Debtors") herein.

2. I have read the foregoing second interim application (the "Application") for
compensation by Applicant and know the contents thereof. The contents of the Application are

true to the best of my knowledge, except as to matters therein alleged to be upon information and belief, and as to those matters, I believe them to be true. I have personally performed many of the legal services rendered by Applicant and am thoroughly familiar with all other work performed on behalf of the Debtors by the attorneys and para-professionals in the firm.

3. In accordance with Bankruptcy Rule 2016(a) and section 504 of the Bankruptcy Code, no agreement or understanding exists between the Applicant and any other person for the sharing of compensation to be received in connection with the within case.

/s/ Lawrence C. Gottlieb
Lawrence C. Gottlieb, Esq.

Sworn to before me this
25th day of February, 2003

/s/ Theresa Hammond
Notary Public

THERESA K. HAMMOND
Notary Public, State of New York
No. 4650925
Qualified in Suffolk County
Commission Expires July 31, 2005

EXHIBIT "B"

METROMEDIA FIBER NETWORK, INC. et al.

PERIOD SEPTEMBER 1, 2002 THROUGH JANUARY 31, 2003

SUBJECT MATTER CATEGORIES		HOURS DURING PERIOD	AMOUNT ²
1.	Case Administration	803.00	\$194,415.00
2.	Leases/Executory Contracts	1225.70	\$330,367.50
3.	Business Operations and Plan	48.60	\$17,112.50
4.	Financing	71.70	\$25,673.50
5.	Retention/Profession Compensation/Fee Statements	234.50	\$63,398.50
6.	Claims	260.30	\$72,282.50
7.	Plan and Disclosure Statement	159.20	\$56,122.50
8.	Asset Dispositions	1653.80	\$584,671.00
9.	Preparation For/Attend Court Hearing	313.20	\$119,448.00
10.	Meetings	125.00	\$53,892.50
11.	Asset Analysis	24.50	\$7,007.00
12.	Employee Benefits	68.80	\$27,977.50
13.	Litigation	2044.35	\$577,053.00
14.	Cash Collateral	112.70	\$39,794.50
15.	Travel Time	0.00	\$0.00
16.	SEC Investigation	277.05	\$62,460.00
18.	Garofalo Litigation	8.00	\$2,457.00
19.	Section 505 Tax Claims	224.05	\$69,077.50

² The amounts listed below do not take into consideration the discount of approximately \$170,000 which reduces the gross fee amount to \$2,148,019.85.

Applicant's Personnel

Name of Professional Person	Position with Applicant and Year Admitted	Hourly Billing Rate	Total Billed Hours	Total Compensation
Malcolm I. Ross	Partner 1976	\$630	3.50	\$144,345.00
		\$600	236.90	
Ralph J. Sutcliffe	Partner 1969	\$625	15.40	\$9,625.00
Lawrence C. Gottlieb	Partner 1974	\$620	60.80	\$37,696.00
		\$590	194.90	\$114,991.00
William L. Castleberry	Partner 1970	\$575	13.50	\$7,762.50
William J. Schwartz	Partner 1979	\$570	9.60	\$5,472.00
Paul Ritter	Partner 1980	\$525	5.60	\$2,940.00
		\$500	35.70	\$17,850.00
Ronald R. Sussman	Partner 1979	\$500	67.70	\$33,850.00
		\$475	193.40	\$91,865.00
James A. Beldner	Partner 1974	\$495	3.70	\$1,831.50
Phillip J. Gall	Partner 1995	\$475	2.40	\$1,140.00
Cathy Herschopf	Partner 1987	\$450	83.90	\$37,755.00
Robert A. Boghosian	Special Counsel 1988	\$430	6.90	\$2,967.00
		\$400	82.70	\$33,080.00
Michael Novins	Partner 1991 NY	\$425	3.10	\$1,317.50
Thomas D. O'Connor	Partner 1989	\$425	67.80	\$28,815.00
Maureen Hannon	Special Counsel 1989	\$420	22.90	\$9,618.00
		\$395	57.90	\$22,870.50
Eric J. Haber	Special Counsel 1984	\$420	4.80	\$2,016.00
		\$390	71.40	\$27,846.00
Jill M. Orlich	Associate 1992	\$420	38.60	\$16,212.00

Name of Professional Person	Position with Applicant and Year Admitted	Hourly Billing Rate	Total Billed Hours	Total Compensation
		\$390	177.10	\$69,069.00
Lynn D. Horwitz	Associate 1995	\$405	5.50	\$2,227.50
		\$360	21.30	\$7,668.00
Richard S. Kanowitz	Associate 1992	\$405	213.00	\$86,265.00
		\$360	710.20	\$255,672.00
Patrice D. Stavile	Special Counsel 1987	\$395	118.50	\$46,807.50
Michael D. Paley	Associate 1993	\$390	19.60	\$7,644.00
Katherine E. Olsen	Associate 1996	\$380	8.10	\$3,078.00
		\$335	179.90	\$60,266.50
Rachel Gordon Lichten	Associate 1999	\$350	62.80	\$21,980.00
		\$310	7.80	\$2,418.00
Joshua M. Bogart	Associate 1996	\$335	28.10	\$9,413.50
Andrea C. Bromfeld	Associate 1996	\$335	11.80	\$3,953.00
Shelly L. Friedland	Associate 1997	\$325	8.30	\$2,697.50
		\$285	82.00	\$23,370.00
Zev Bromrind	Associate 1996	\$310	3.00	\$930.00
Jonathan S. Botwinick	Associate 1997	\$300	91.40	\$27,420.00
		\$260	469.20	\$121,992.00
Nicholas Smithberg	Associate 1995	\$285	10.50	\$2,992.50
Jacob J. Frohman	Associate 1999	\$275	23.90	\$6,572.50
Gregory G. Plotko	Associate 1999	\$275	4.70	\$1,292.50
		\$235	204.40	\$48,034.00
Gary E Bedsole	Associate 2001	\$260	10.00	\$2,600.00
Jeffrey L. Cohen	Associate 2000	\$250	173.40	\$43,350.00
		\$220	539.60	\$118,712.00

Name of Professional Person	Position with Applicant and Year Admitted	Hourly Billing Rate	Total Billed Hours	Total Compensation
Erica L. Blank	Associate 2000	\$235	28.40	\$6,674.00
Christopher A. Jarvinen	Associate 2000	\$235	18.10	\$4,253.50
Clint E. Massengill	Associate 2002	\$235	5.60	\$1,316.00
Patrick McCloskey	Associate 1999	\$235	86.60	\$20,351.00
Robert H. Atkins	Associate 2003	\$230	45.50	\$10,465.00
		\$205	13.50	\$2,767.50
Joanna L. Bergman	Associate 2002	\$230	112.60	\$25,898.00
		\$205	297.30	\$60,946.50
Benjamin C. Browning	Associate Pending	\$230	16.20	\$3,726.00
Brent Weisenberg	Associate 2002	\$230	84.60	\$19,458.00
		\$205	532.60	\$109,183.00
Caroline E. Demirs	Associate 2001	\$220	11.80	\$2,596.00
Bethanne D. Haft	Associate 1993	\$220	32.80	\$7,216.00
John P. Oleske	Associate 2002	\$220	37.00	\$8,140.00
Abraham Bennun	Associate 2000	\$215	114.20	\$24,553.00
		\$205	413.70	\$84,808.50
Adam I. Hasson	Associate 2003	\$215	7.30	\$1,569.50
		\$205	80.20	\$16,441.00
Nicolas B. Hoskins	Associate Pending	\$215	73.70	\$15,845.50
		\$205	270.50	\$55,452.50
Marisa Megur	Associate 2002	\$205	11.20	\$2,296.00
Ryan M. Papir	Associate 2002	\$205	35.00	\$7,175.00
Judith S. Salzman	Associate 2003	\$205	42.40	\$8,692.00
David Fleischer	Legal Assistant	\$190	189.50	\$36,005.00
Roseann Marrali	Legal Assistant	\$190	8.70	\$1,653.00
Jill N. Simon	Legal Assistant	\$190	2.90	\$551.00
Rebecca Goldstein	Legal Assistant	\$170	196.15	\$33,345.50
James D. Hunt	Legal Assistant	\$170	141.80	\$24,106.00

Name of Professional Person	Position with Applicant and Year Admitted	Hourly Billing Rate	Total Billed Hours	Total Compensation
Jed M. Schwartz	Legal Assistant	\$170	111.80	\$19,006.00
Margaret E. Peters	Legal Assistant	\$170	4.30	\$731.00
Greig S. Bennett	Legal Assistant	\$170	34.70	\$5,899.00
Grand Total Fees				\$2,249,410.00
Total Hours				7654.40
Blended Rate (Approximate)³				\$323.89

KRONISH LIEB WEINER & HELLMAN LLP

By: /s/ Lawrence C. Gottlieb
Lawrence C. Gottlieb (LG-2565)
A Member of the Firm

³ The blended rate is based on total hours and gross fees for all attorneys. It does not take into consideration the discount of approximately \$170,000 which reduced the gross fee amount.

EXHIBIT “C”

Due to the voluminous nature of the time records, Applicant has not electronically filed said copies. Applicant will make the time records available to any party in interest, free of charge, upon request of Rebecca Goldstein, Kronish Lieb Weiner & Hellman LLP (telephone number (212) 479-6000.)

EXHIBIT "D"

METROMEDIA FIBER NETWORK, INC. et al.

**EXPENSE BREAKDOWN
PERIOD SEPTEMBER 1, 2002 THROUGH JANUARY 31, 2003**

SUBJECT MATTER CATEGORIES	AMOUNT
Automated Library Research	\$50,254.25
Binding	\$238.00
Courier Service	\$3,789.57
Court Services	\$1,222.61
Fax	\$2,381.00
Filing Fees	\$3,672.00
Litigation Messenger	\$231.25
Litigation Search	\$1,839.02
Local Transportation	\$3,149.20
Meals	\$3,548.90
Messenger	\$393.60
Miscellaneous	\$488.00
Outside Printing	\$4,808.10
Photocopy	\$11,717.10
Postage	\$422.00
Secretarial & Other Overtime	\$914.25
Telephone	\$3,402.21
Travel	\$89.00
TOTAL	\$92,560.06