

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
Attorneys for NTL Incorporated, et al.
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Kayalyn A. Marafioti (KM 9362)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
: In re : Chapter 11
: :
: NTL INCORPORATED, et al., : Case No. 02-41316 (ALG)
: :
: Debtors. : Jointly Administered
: :
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SUMMARY SHEET FOR FINAL FEE APPLICATION
OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
PURSUANT TO 11 U.S.C. § 330 AND FED. R. BANKR. P. 2016(a)
FOR FINAL ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD FROM MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

Applicant:	Skadden, Arps, Slate, Meagher & Flom LLP
Authorized To Provide Services To:	NTL Incorporated, <u>et al.</u>
Date Of Entry Of Order Authorizing Retention:	May 10, 2002 (became final on June 12, 2002)
Fees/Expenses Previously Requested:	None
Fees/Expenses Previously Awarded:	None
Amount Of Retainer:	\$508,162.39

Application Period:

May 8, 2002 through September 5, 2002

Amount Of Compensation
Sought As Actual, Reasonable,
And Necessary:

\$3,911,003.00

Amount Of Expense Reimbursement
Sought As Actual, Reasonable,
And Necessary:

\$ 135,571.81

Total Amount Requested
As Compensation And
Expense Reimbursement:

\$4,046,574.81

This is a(n) ___ interim x final application

PROFESSIONALS WHOSE TIME WAS CHARGED TO THE DEBTORS

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
Kenneth J. Betts	1991	\$495	48.00	\$23,760.00
Adrian J. S. Deitz	1991	580	179.50	104,110.00
James M. Douglas	1982	695	101.10	70,264.50
John P. Furfaro	1981	610	6.20	3,782.00
Thomas H. Kennedy	1982	695	347.50	241,512.50
Alan Kriegel	1977	630	8.40	5,292.00
Andre LeDuc	1978	650	6.00	3,900.00
Kayalyn A. Marafioti	1980	675	566.90	382,657.50
Edward J. Meehan	1985	580	187.00	108,460.00
Paul W. Oosterhuis	1979	695	5.00	3,475.00
Timothy G. Reynolds	1981	580	33.50	19,430.00
Seth M. Schwartz	1983	675	43.40	29,295.00
	Total Partners		1,532.50	\$995,938.50
<u>OF COUNSEL</u>				

Arthur S. Rollin	1958	695	365.90	254,300.50
	Total Of Counsel		365.90	\$254,300.50
<u>COUNSEL</u>				
Lawrence V. Gelber	1992	470	954.60	448,662.00
	Total Counsel		954.60	\$448,662.00
<u>ASSOCIATES</u>				
Timothy W. Amata	1995	395	14.50	5,727.50
Michael Beinus	1999	330	23.80	7,854.00
Molly Bell	Pending	365	382.90	139,758.50
Aney K. Chandy	1996	365	18.60	6,789.00
Martina Crespi-Reghiz	Pending	330	6.00	1,980.00
Geoffrey M. Davis	1992	365	276.40	100,886.00
Tal Fagin	2001	295	712.40	210,158.00
Mark A. Fink	1997	365	557.20	203,378.00
Todd E. Freed	1998	395	824.10	325,519.50
Estelle Guyon Abinal	1997	395	14.70	5,806.50
Ryan C. Jackson	2001	295	21.90	6,460.50
Trent M. Jones	2002	265	349.60	92,644.00
Radha Kapoor	Pending	295	10.10	2,979.50
Xenia Legendre	2001	495	34.00	16,830.00
Eric S. Manne	2000	330	15.00	4,950.00
Ilan Markus	1996	365	758.20	276,743.00
Alison L. Marquez	2000	295	519.70	153,311.50
James A. McDonald	1998	395	231.10	91,284.50
Matthew D. Michael	2000	295	348.20	102,719.00
Richard J. Reisman	1996	470	57.10	26,837.00
Aaron W. Ross	2002	295	18.20	5,369.00
Kenneth A. Rubenstein	1997	395	6.90	2,725.50
David E. Schwartz	1994	430	13.10	5,633.00

Douglas W. Squasoni	2001	295	6.10	1,799.50
Aparna Sule	1997	415	24.10	10,001.50
Rossie E. Turman III	1999	365	491.90	179,543.50
Karen Walny	2000	295	385.30	113,663.50
	Total Associates		6,121.10	\$2,101,351.50
PARAPROFESSIONALS				
Nicolas Carreras	n/a	110	30.20	3,322.00
		130	47.90	6,227.00
Kelly C. Caton	n/a	110	94.70	10,417.00
		130	84.60	10,998.00
Millicent V. Emmitt	n/a	160	6.30	1,008.00
Diana L. Graham	n/a	130	5.70	741.00
Nicholas M. Gulan	n/a	110	54.20	5,962.00
Heather M. Heidi	n/a	130	6.00	780.00
Susan Hensler	n/a	80	33.70	2,696.00
Andrew B. Kavesh	n/a	130	10.50	1,365.00
Jane Kim	n/a	110	10.40	1,144.00
Derrick King	n/a	150	37.60	5,640.00
Kattie L. Kingsley	n/a	110	33.00	3,630.00
		130	26.40	3,432.00
Peter M. Langland-Hassan	n/a	130	5.00	650.00
Shannon Lazzarini	n/a	130	6.90	897.00
Italo Lenta	n/a	160	31.50	5,040.00
Jose Nevado	n/a	125	6.50	812.50
Nancy J. Schneider	n/a	130	8.00	1,040.00
Erin Siuda	n/a	110	146.30	16,093.00
		130	215.50	28,015.00
Nathan D. Smith	n/a	130	6.70	871.00

	Total Para-Professionals		907.60	\$110,780.50
	TOTAL		9,881.70	\$3,911,003.00
BLENDED HOURLY RATE				\$395.79

Hearing Date: To be set by Court
Hearing Time: To be set by Court

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Debtors. : Jointly Administered
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FINAL APPLICATION
OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
PURSUANT TO 11 U.S.C. § 330 AND FED. R. BANKR. P. 2016(a)
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD FROM MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

TO THE HONORABLE ALLAN L. GROPPER,
UNITED STATES BANKRUPTCY JUDGE:

Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps" or the
"Firm"), attorneys for NTL Incorporated ("NTL" or the "Company") and its debtor-
subsidiaries in the above-captioned Chapter 11 reorganization cases (collectively, the

"Debtors"),¹ hereby submits its final application for entry of an order allowing compensation for services rendered and reimbursement of expenses incurred (the "Application") under 11 U.S.C. § 330 and Fed. R. Bankr. P. 2016 for the period from May 8, 2002 through September 5, 2002 (the "Application Period"), and in support thereof, respectfully represents as follows:

Preliminary Statement

1. On May 8, 2002 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for reorganization relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code"). On the Petition Date the Debtors also filed, among other things, their joint reorganization plan (as amended, supplemented, and modified, the "Plan") and various motions necessary to move the reorganization cases expeditiously toward confirmation of the Plan (the "First Day Motions"). On May 24, 2002, the Debtors filed their disclosure statement (as amended and supplemented, the "Disclosure Statement").

2. On June 24, 2002, the United States Trustee appointed an official committee of unsecured creditors (the "Creditors' Committee").

3. This Court has jurisdiction over this Final Application under 28 U.S.C. §§ 157 and 1334. Consideration of this Application is a core proceeding under 28

¹ Pursuant to the order confirming the Plan, dated September 5, 2002 (the "Confirmation Order"), and after substantial consummation thereof, which consummation occurred on January 10, 2003, the Debtors' capital structure has changed significantly. Accordingly, all references herein are to pre-consummation Debtor entities.

U.S.C. § 157(b). Venue of the Debtors' Chapter 11 cases and this Application is proper in this district under 28 U.S.C. §§ 1408 and 1409.

4. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on April 19, 1995 (the "Local Guidelines"), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (together with the Local Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with the Local Guidelines is attached hereto as Exhibit A. The declaration required under Fed. R. Bankr. P. 2016 is attached hereto as Exhibit B.

Background

5. By application dated May 8, 2002, the Debtors sought authorization to retain Skadden, Arps as their attorneys in these reorganization cases. By order dated May 10, 2002 (which became final by its terms on June 12, 2002), the Court approved the employment and retention of Skadden, Arps as attorneys for the Debtors under sections 327(a) and 329 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016. A copy of the Court's retention order is attached hereto as Exhibit C. The Firm was retained under a general retainer as of the commencement of the cases to perform the following services:

- (a) advise the Debtors with respect to their powers and duties as debtors-in-possession in the continued management of their businesses and properties;
- (b) attend meetings and negotiate with representatives of creditors and other parties-in-interest, and advise and consult on the conduct of the cases, including all of the legal and administrative requirements of operating in Chapter 11;
- (c) take all necessary action to protect and preserve the Debtors' estates, including the prosecution of actions on their behalf, the defense of any actions commenced against them, negotiations concerning all litigation involving the Debtors, and objections to claims filed against the Debtors' estates, if any;
- (d) prepare on the Debtors' behalf all motions, applications, answers, orders, reports, and papers necessary to the administration of the estates;
- (e) negotiate and prepare or revise on the Debtors' behalf plan(s) of reorganization, disclosure statement(s), and all related agreements and/or documents, and take any necessary action on behalf of the Debtors to (i) obtain confirmation of such plan(s), (ii) implement all transactions related thereto, and (iii) prosecute any modifications thereto, revisions thereof, or appeals therefrom;
- (f) advise the Debtors in connection with any sale(s) of assets outside the ordinary course of business;
- (g) appear before this Court, any appellate courts, and the United States Trustee, and protect the interests of the Debtors' estates; and
- (h) perform all other necessary legal services and provide all other necessary legal advice to the Debtors in connection with these Chapter 11 cases.

6. Pursuant to paragraph B.2 of the Local Guidelines and the Court's order, entered June 17, 2002, establishing procedures for interim compensation and

reimbursement of expenses of professionals (the "Interim Compensation Order"), no later than 20 days after the end of each month during the Application Period, or the following Monday if such date fell on a weekend date, Skadden, Arps provided NTL, the U.S. Trustee, and counsel for the Creditors' Committee with a monthly statement of fees and disbursements accrued during such month.² Because the time period from the Petition Date to the Confirmation Order was only 120 days in duration, no professionals were required to final interim fee applications. All quarterly fees have been paid by NTL to the United States Trustee, and all monthly operating reports required under the United States Trustee Operational Guidelines have been timely filed.

Relief Requested

7. Skadden, Arps submits this Application pursuant to 11 U.S.C. § 330 for (a) final allowance of compensation for professional services rendered on behalf of the Debtors in the amount of \$3,911,003.00, which amount is derived solely from the applicable billing rates of the Firm's personnel who rendered such services, and (b) reimbursement of actual and necessary out-of-pocket disbursements and charges incurred in connection with the rendition of required professional services on behalf of the Debtors during the Application Period in the amount of \$135,571.81.

² Pursuant to the Interim Compensation Order, upon presentment of its monthly statement of fees and disbursements to NTL, and after the expiration of a 15-day objection period, Skadden, Arps was paid 80% of its fees and 100% of its disbursements.

8. During the Application Period, Skadden, Arps spent a total of 9,881.70 hours on the representation of the Debtors. Of the aggregate time expended, 1532.50 hours were spent by partners, 365.90 hours by an of counsel, 954.60 hours by a counsel, 6,121.10 hours by associates, and 907.60 hours by paraprofessionals. The chart immediately preceding the first page of this Application sets forth a schedule showing the name and position of each partner, of counsel, counsel, associate, and paraprofessional working on this case, together with that person's year of admission to the bar (if applicable), hours worked during the Application Period, hourly billing rate, and fees billed during the Application Period. The rates set forth herein are the standard hourly attorney and paralegal fee rates used in Skadden, Arps' "bundled rate" structure for clients who are not billed separately for certain charges (e.g., secretarial and word processing time preparing legal documents, proofreading, facsimile services, overtime meals, and overtime travel allowances). In the "bundled rate" structure, guideline hourly fee rates are adjusted to incorporate certain charges that are otherwise billed on an incurrence basis. Hourly billing rates are periodically reviewed and revised. Attached hereto as Exhibit D are the Firm's time records (the "Time Detail") that detail the services performed and the time expended by each attorney and legal

assistant during the Application Period.³ In addition, the Firm's summary of fees by billing matter is attached hereto as Exhibit E.

9. The Firm maintains records of the time it expended in the rendition of all professional and paraprofessional services. The Firm's time records were made concurrently with the rendition of professional services.

10. This Application seeks final allowance of fees and expenses incurred during the Application Period. The name of each Skadden, Arps professional who rendered services for the Debtors and a statement of the hours worked and tasks performed by each individual, identified by specific matter, project, or category, are set forth in the Time Detail. The Time Detail consists of the contemporaneous time records of Skadden, Arps and provides details of the services performed, the dates on which such work was performed, the identity of the professionals and paraprofessionals performing the work, and the time spent by each reflected in tenth of an hour increments.

³ Skadden, Arps has written off the amount of \$63,513.00 in fees incurred during the Application Period in respect of time charges for professionals and paraprofessionals billing fewer than five hours each for any particular month. The time detail for such professionals and paraprofessionals is nonetheless included in Exhibits D and E. To the extent that a party-in-interest objects to this Application, Skadden, Arps reserves the right to recapture such accommodation and seek up to the full amount of fees actually incurred in connection with this engagement.

Description Of Services Rendered By
Skadden, Arps During The Application Period

11. Throughout the Application Period, the Firm was required to render services to the Debtors almost daily. The demands on the Firm were extreme. Skadden, Arps attorneys were required to devote significant amounts of time to the case, often to the exclusion of other clients. Short of reciting the contents of the hundreds of pages of daily time records, it is impossible to summarize completely the work performed by the Firm throughout the duration of Debtors' cases and to detail in narrative form all of the research, drafting, conferences, telephone conversations, negotiating sessions, document review, and other matters that occupied the Firm daily. The Firm's time records, however, which are annexed to this Application, provide ample detail of the services performed. This section of the Application describes the more substantial services performed and the role played by the Firm during the Application Period, and highlights certain crucial parts of the case that required particularly intense dedication by the Firm's attorneys.

A. Filing Of The Cases And First Day Motions.

12. On the Petition Date, Skadden, Arps filed the petitions for reorganization relief for each of the six Debtors, as well as the Plan; the First Day Motions consisting of applications to retain counsel, financial advisors, and information agents; 12 other First Day Motions with respect to, among other things, use of the Debtors' cash management system, utilities, waiver of investment and deposit requirements, establishment of a bar date for certain claims, retention of ordinary course

professionals, interim compensation of professionals, and approval of debtor-in-possession financing; and the affidavit of Mr. Barclay Knapp in support of the Debtors' Chapter 11 filings.

B. The Plan

13. During the Application Period, the Firm devoted substantial time to assisting the Debtors with revising and amending the Plan. As part of these services, Skadden, Arps attorneys participated in numerous discussions regarding legal, procedural, and financial issues and related Plan drafting considerations with the Debtors' management, their co-counsel, Travers Smith Braithwaite ("TSB"), and their financial advisors, Credit Suisse First Boston ("CSFB"), as well as counsel to the Creditors' Committee, Fried Frank Harris Shriver & Jacobson ("Fried Frank") and Cadwalader, Wickersham & Taft ("Cadwalader"), financial advisors the Creditors' Committee, UBS Warburg LLC ("UBS"), and the Debtors' information agents. The Firm advised the Debtors with respect to the legal requirements of a reorganization plan under the Bankruptcy Code, as well as the legal and administrative ramifications of various proposed Plan revisions.

14. As discussed in detail below, the Firm spent a substantial amount of time working with counsel for the various interested parties and creditor constituencies revising the Plan and Disclosure Statement to reflect evolving efforts to reach

consensus with respect to specific provisions in the Plan, which efforts were essential to maintain a consensual reorganization.⁴

15. In negotiating, redrafting, and revising the Debtors' Plan, the Firm devoted substantial amounts of time and resources to researching, reviewing, and/or preparing adequate disclosure of various subjects including, without limitation, (i) the Debtors' corporate structure, employment agreements, business operations, and indemnity of officers and directors, (ii) prepetition litigation, (iii) developments in the Chapter 11 cases, (iv) executory contracts, (v) tax issues, (vii) classification issues,

⁴ The Firm's work in revising the Plan and Disclosure Statement and coordinating the efforts of the Debtors, TSB, CSFB, Fried Frank, Cadwalader, UBS, various counsel for other constituencies, and the Debtors' information agents included:

- (a) negotiating, revising, and finalizing an agreement in respect of the allocation of value under the Plan to 18 separate issues of bond debt impaired under the Plan;
- (b) establishing solicitation and election procedures for each class of impaired claims and interests under the Plan;
- (c) creating, modifying, and finally determining the post-consummation capital structure of the Debtors which were to be split into two completely separate companies under the Plan;
- (d) negotiating the terms of the releases set forth in the Plan;
- (e) ensuring complete and accurate entry of financial and other informational data in the Disclosure Statement; and
- (f) establishing, modifying, and ultimately agreeing upon a method for effectuating the exchange of billions of dollars of debt to new equity.

(vii) solicitation procedures, (viii) treatment of claims, including resolution of Securities Claims against the Debtors, and (ix) notice issues.

16. To prepare for the process of soliciting votes with respect to the Plan and seeking approval of the Disclosure Statement, the Firm drafted notices for distribution and publication with respect to the hearings on the Disclosure Statement and confirmation of the Plan. The Firm also developed, in concert with the Creditors' Committee and the Debtors' information agents, the procedural foundation for soliciting acceptances and rejections of the Plan.

17. The Firm finalized and supervised the printing of all solicitation materials, including the Plan, Disclosure Statement, Plan voting ballots, and various notices and worked closely with the Debtors' information agents to ensure that appropriate solicitation materials were timely delivered to all creditors and equity security holders. The Firm worked closely with the information agents to tabulate votes on the Plan and prepare an affidavit in respect thereof.

18. During the Application Period, the Firm's attorneys spent a significant amount of time researching and analyzing issues regarding the Plan confirmation process, including classification, solicitation, tax, and securities issues. In addition, the Firm's attorneys researched and drafted the memorandum and various affidavits in support of confirmation of the Plan. Ultimately, the Firm prepared for and attended the hearing on confirmation of the Plan on September 5, 2002 which resulted in the entry of the Confirmation Order.

C. Disclosure Statement

19. For a majority of the Application Period, the Firm devoted substantial amounts of time to revising and editing the Disclosure Statement to ensure that it reflected the changing circumstances of the Chapter 11 cases, complied strictly with Bankruptcy Code requirements, and accurately described relevant and material events, developments, background information, agreements, and documentation. In drafting the Disclosure Statement, Skadden, Arps attorneys engaged in numerous conferences with NTL's management, its professional representatives, and the professional representatives of the Creditors' Committee.

20. Consistent with the pre-negotiated nature of the cases, the Firm routinely sent drafts of proposed revisions of the Disclosure Statement to various parties-in-interest for comment, so that needed changes could be effected in a manner that would be acceptable to all of the parties. By obtaining comments on early drafts, the Firm successfully resolved in advance many issues that could otherwise have caused disputes at the time of the hearings to approve the Disclosure Statement and confirmation of the Plan.

21. The Firm prepared for and attended the hearing on approval of the Disclosure Statement on July 12, 2002. The Court approved the Disclosure Statement on that same date.

D. Case Administration

22. The Firm devoted a considerable amount of time during the Application Period to matters of case administration. The Firm's attorneys conferred with the Debtors' management almost daily to formulate strategy for resolving issues that arise in connection with operating as Chapter 11 debtors-in-possession, including those related to (a) the automatic stay (with respect to which the Firm intensively negotiated, prepared, and filed (i) a stipulation and order regarding withdrawal of a class proof of claim filed by certain holders of Securities Claims in respect of litigation currently pending the District Court for the Southern District of New York and (ii) an adversary proceeding seeking a preliminary injunction to prevent certain parties from exercising alleged rights under various agreements to the detriment of the Debtors' interests); (b) the transfer of funds by and among the Debtors to preserve the Debtors' collective interest in property without violating the provisions of pre-petition loan agreements, orders of the Court, and the Bankruptcy Code and Rules; and (c) meeting the needs of operating subsidiaries to ensure that such subsidiaries – which were free to continue to operate their businesses in the ordinary course without restrictions of the Bankruptcy Code – would continue to function for the ultimate benefit of the Debtors' estates. The Firm also assisted the Debtors in preparing various operating reports and statements required by the United States Trustee and Court order, including the monthly operating reports.

E. Coordination Of Chapter 11 Cases With Insolvency Proceedings In England

23. Simultaneously with the Debtors' cases before this Court, two of the Debtors, Diamond Cable Communications Limited and Diamond Holdings Limited, became subject to administration proceedings in England. Skadden, Arps expended great efforts coordinating the two cases with the help of TSB, which represented the Debtors in the English proceedings. In fact, Diamond Cable Communications Limited and Diamond Holdings Limited successfully emerged from their concurrent administration proceedings in England immediately before all of the Debtors substantially consummated the Plan on January 10, 2003.

F. The DIP Facility And Related Negotiations

24. During the Application Period, Skadden, Arps also assisted the Debtors in securing a debtor-in-possession facility to enhance the Debtors' ability to proceed through the entire Chapter 11 process with sufficient liquidity.

25. In this regard, the Firm entered into extensive negotiations with attorneys for the lenders under certain non-Debtor loan facilities which contained covenants restricting the Debtors' ability to borrow funds. With the Firm's assistance, the Debtors' were able to obtain the necessary waivers from such lenders to enable NTL to enter into the debtor-in-possession facility. Additionally, Skadden, Arps assisted the Debtors in renegotiating the two existing U.K. credit agreements, resulting in the Amended and Restated Senior Credit Facility and the Amended and Restated Working Capital Facility.

G. Corporate Advice

26. During the Application Period, Skadden, Arps spent time analyzing, researching, and advising the Debtors' management on numerous corporate governance issues. In addition, the Firm attended several NTL board meetings and conferred with the board regarding significant corporate governance and bankruptcy matters facing the Debtors.

III.

Applicable Authority

27. When awarding compensation to counsel for a debtor pursuant to section 330 of the Bankruptcy Code,⁵ the factors to be considered by this Court

⁵ 11 U.S.C. § 330(a) provides in pertinent part:

(a) (1) [T]he Court may award to . . . a professional person employed under section 327 or 1103 –

(A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and

(B) reimbursement for actual, necessary expenses.

* * *

(3) (A) In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

(A) the time spent on such services;

(B) the rates charged for such services;

(C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;

(D) whether the services were performed within a reasonable

(continued...)

include whether (i) the services performed were beneficial, at the time rendered, toward the completion of the case, (ii) the services performed were commensurate with the complexity, importance, and nature of the issues addressed, and (iii) the compensation is reasonable when compared with the cost of comparable non-bankruptcy services. 11 U.S.C. § 330(a)(3); see also 5 Collier, Bankruptcy ¶ 330.04[1], [7] (15th rev. ed. 2002) ("[t]he majority of courts have determined the "necessity" of particular services from the perspective of the time that the services were rendered rather than based on hindsight after the services had been performed Although section 330 requires a determination by the court that the services were "reasonably likely" to result in a benefit to the estate, there is no requirement that the services at issue resulted in an actual benefit to the estate").

28. The services that Skadden, Arps performed on the Debtors' behalf in these cases were necessary and reasonable and have benefitted NTL's estates.

29. Skadden, Arps submits that no new or novel issue of law is presented with respect to the matters contained herein. Because the relevant authorities in support of the requested relief are cited in this Application, NTL requests that the

⁵(...continued)

amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied.

IV.
Allowance Of Compensation

30. Standing at the bar and experience. The partner in charge of the Firm engagement was Kayalyn A. Marafioti. Ms. Marafioti has had substantial experience in providing bankruptcy advice on a wide variety of matters. She has represented debtors, creditors, trustees, committees, equity holders, foreign liquidators, investment banks, and accountants in reorganization and bankruptcy cases as well as out-of-court restructurings and corporate transactions. Ms. Marafioti has authored and co-authored numerous educational outlines on bankruptcy-related issues and is a frequent speaker on continuing legal education panels and at seminars on bankruptcy law and related topics. Ms. Marafioti supervised and coordinated the activities of the Firm's attorneys and was involved in all aspects of the Debtors' Chapter 11 cases, including negotiations with creditors and government agencies; consultation with the Debtors' management; frequent consultation with the counsel for the noteholders' steering committee and the Creditors' Committee; the preparation of motions, applications, memoranda of law, and proposed orders; the drafting and revision of the Debtors' Plan and Disclosure Statement; and appearances at court conferences and hearings.

31. The scope of services that the Firm provided to the Debtors in the cases was wide. In the course of this engagement, Skadden, Arps called upon its attorneys with expertise not only in bankruptcy matters but also in the corporate, tax,

litigation, banking, insurance, employee benefits, and labor fields. Moreover, due to the international nature of NTL's business, the Firm utilized attorneys in its U.K. office as well as its U.S. offices to render services to NTL.

32. Compensation sought. Because of the benefits realized by the Debtors and their estates, the nature of these cases, the standing at the bar of the Firm and the attorneys who rendered services, the amount of work done, the speed within which the cases progressed, the time consumed, the skill required, and the contingent nature of the compensation, the Firm requests that it be allowed \$3,911,003.00 in compensation, representing all fees for professional services rendered during the Application Period.

33. This request includes less than \$49,997.00 compensation for fees incurred in preparing the monthly fee statements for the Application Period.

34. Reimbursement of expenses. The Firm requests that it be granted reimbursement of expenses in the amount of \$135,571.81, which represents the following sums for actual and necessary expenses incurred in the rendition of professional services during the Application Period:

DISBURSEMENTS⁶

Computer Legal Research	\$ 29,755.16
Long Distance Telephone	15,636.13
In-House Reproduction (@ \$.10 per page)	31,084.90
Outside Reproduction	7,096.46
Court Reporting	2,503.50
Business Travel and Lodging and Local Travel ⁷	26,570.19
Business Meals ⁸	3,129.75
Postage, Courier, and Express Carriers (e.g., Federal Express) ⁹	14,746.41
Outside Research Services	4,134.21
Other	<u>915.10</u>

CLIENT TOTAL: **\$135,571.81**

Exhibit F hereto provides further information and detail concerning the Firm's expenses and certain expense billing policies.

WHEREFORE, the Firm respectfully requests that the Court enter an order granting it (a) compensation for professional services rendered as attorneys for NTL during the Application Period in the sum of \$3,911,003.00, plus reimbursement

⁶ Skadden, Arps bills clients for reasonable charges and disbursements incurred in connection with an engagement. Clients are billed for external charges at the actual cost billed by vendors.

⁷ Every effort was made to minimize the firm's local travel expenses.

⁸ Business meals are charged to a client if an attorney is meeting with a client during breakfast, lunch, or dinner.

⁹ Express carriers are used only when first class mail is impracticable and the exigencies of time require this form of delivery. Couriers are used only when time is of the essence.

of actual and necessary expenses incurred in the sum of \$135,571.81, and (b) such other and further relief as is just.

Dated: New York, New York
February 6, 2003

SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP

By: /s/ Kayalyn A. Marafioti
Kayalyn A. Marafioti (KM 9362)
(A Member of the Firm)

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Attorneys for NTL Incorporated, et al.

Index of Exhibits

- Exhibit A - Certification
- Exhibit B - Declaration Under Fed. R. Bankr. P. 2016
- Exhibit C - Retention Order
- Exhibit D - Time Detail
- Exhibit E - Summary Of Fees By Billing Matter
- Exhibit F - Disbursement Detail