

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
(EASTERN DIVISION)

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|-----------------------------|---|------------------------|
| In re: |) | Case No. 02-08699 |
| |) | (Jointly Administered) |
| NATIONAL STEEL CORPORATION, |) | Chapter 11 |
| <u>et al.</u> , |) | Hon. John H. Squires |
| |) | |
| Debtors. |) | |

ORDER OF COURT

Upon the application dated January 28, 2004, (the "Final Application"), of Babst, Calland, Clements and Zomnir, P.C. ("BCCZ"), for an order under 11 U.S.C. §§ 330 and 331 and Bankruptcy Rule 2016 approving the Final Application of BCCZ for Services Rendered and Reimbursement of Expenses as Special Counsel to the Debtors for the Period March 6, 2002 Through December 19, 2003; and this Court having determined that the relief requested in the Final Application is in the best interest of the Debtors, their creditors and other parties-in-interest; and it appearing that notice of the Final Application was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Final Application of BCCZ is hereby granted, and the fees and expenses for which approval is sought in the Final Application are hereby approved.
2. The Debtors are hereby authorized and directed to pay BCCZ, to the extent not previously paid, the sums of (i) \$1,358,938.00, representing the fees (including the holdback amounts) incurred by BCCZ and for which final approval was requested in the Final Application,

and (ii) \$89,552.94 representing the actual and necessary expenses incurred by BCCZ and for which final approval was requested in the Final Application.

3. The relief granted in this Order is without prejudice to the rights of BCCZ to seek further allowance and payments of additional compensation and reimbursement of expenses, including any such amounts incurred during the period March 6, 2002 through December 19, 2003 for which approval has not previously been denied, upon application to this court in accordance with the Administrative Order entered by this Court governing payment of special counsel in this matter.

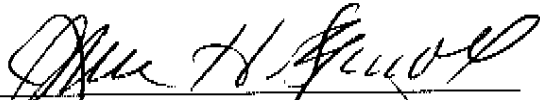
4. All prior interim awards of fees and expense reimbursements are hereby approved and made final.

5. This Order constitutes a final order and is effective immediately.

Dated: Chicago, Illinois

3/15, 2004

MAR 15 2004


The Honorable John H. Squires
United States Bankruptcy Judge
Northern District of Illinois (Eastern Division)