

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF KENTUCKY  
ASHLAND DIVISION**

IN RE: ) Chapter 11  
 )  
SPECIAL METALS CORPORATION, et al., ) Bankruptcy Nos. 02-10335 -  
 ) 02-10338  
 )  
 ) JOINTLY ADMINISTERED  
 )  
 ) JUDGE WILLIAM S. HOWARD

**FIRST AND FINAL FEE APPLICATION REQUEST OF  
MELLON CONSULTANTS, INC., FORMERLY KNOWN AS  
BUCK CONSULTANTS, INC., FOR FINAL ALLOWANCE  
OF COMPENSATION AND REMBURSEMENT OF EXPENSES**

TO: THE HONORABLE WILLIAM S. HOWARD, U.S. BANKRUPTCY JUDGE

The Application of Mellon Consultants, Inc., formerly known as Buck Consultants, Inc., (“Mellon Consultants” or “Applicant”), actuary to Debtors, pursuant to §§330(a) and 331 of the Bankruptcy Code, Bankruptcy Rule 20165, and the Administrative Order entered May 2, 2002, respectfully applies to the Court for allowance of allowance of its fees and expenses. In support thereof, Mellon Consultants respectfully provides:

1. **TIME PERIOD COVERED.** The time period covered is from December 1, 2002 through and including November 30, 2003 (“the Final Fee Period”), and the compensation being requested is Mellon Consultants’ first and final request for allowance of compensation as authorized by the Interim Fee Order and 11 U.S.C. §§330 and 331.

2. **EMPLOYMENT OF THE COMPANY.** Applicant was initially retained to render professional services to the Debtors as actuarial consultants pursuant to the Order authorizing the Debtors to employ professionals in the ordinary course of business dated May 2, 2002 (the “OCP Order”). The

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<sup>1</sup> The hourly rates charged by Mellon Consultants’ professionals differ based on, among other things, each professional’s level of experience and the rates normally charged in the location of the office in which the professional is resident. Mellon Consultants may adjust these rates periodically in accordance with its established billing practices and procedures.

OCP Order authorized Applicant to be compensated on an hourly basis up to a maximum of \$150,000 over a twelve-month period, which was established by the Court as the maximum compensation for ordinary course professionals. Applicant subsequently exceeded the fee cap in December 2002.

Consequently, the Debtor's sought Court approval to engage Applicant as professionals in these cases.

3. On May 27, 2003, this Court entered an Order approving the retention and employment of Buck Consultants, Inc., as actuary to the Debtors. A copy of the order approving Applicant's retention and employment is annexed hereto as Exhibit A.

4. **SERVICES COVERED.** All services for which Applicant seeks compensation were performed pursuant to orders of this Court in representation of the Debtors.

5. **NO COMPENSATION SHARING.** No agreement or understanding has existed or does exist between Applicant and any other person for the sharing of compensation received or to be received in this case.

6. **PAYMENTS AWARDED, MADE AND PROMISED.** This fee application is Applicant's first and final "Interim Fee Application Request" as that term is defined in the Interim Fee Order. During the Final Fee Period, Applicant filed the following "Fee Applications", as that term is defined in the Interim Fee Order:

<b>Period</b>	<b>Fees Requested</b>	<b>80% Payment</b>	<b>Expenses</b>	<b>Total Paid</b>	<b>Balance Due</b>
12/02-2/03	\$216,270.00	\$173,016.00	\$ 00.00	\$173,016.00	\$43,254.00
3/03	100,463.60	80,370.88	1,083.37	81,454.25	20,092.72
4/03	93,720.00	74,976.00	42.00	75,018.00	18,744.00
5/03	59,020.40	47,216.32	00.00	47,216.32	11,804.08
6/03	61,898.80	49,519.04	1,635.26	51,154.30	12,379.76
7/03	52,460.80	41,968.64	00.00	41,968.60	10,492.16
8/03	28,675.20	22,940.16	00.00	22,940.16	5,735.04
9/03	36,774.80	29,419.84	1,329.32	00.00	36,774.80
10/03	22,708.00	00.00	00.00	00.00	22,708.00
11/03	43,684.40	00.00	532.11	00.00	44,216.51
Totals	\$715,676.00	\$519,426.88	\$4,622.06	\$492,767.63	\$226,201.07

The period for objections has not yet expired for the Applicant's Ninth and Tenth Fee Applications, which cover the periods of October and November 2003, respectively. If Applicant receives payment for such amounts, the total due will be adjusted accordingly.

## **7. SUMMARY AND BACKGROUND OF WORK PERFORMED**

a. Time & Labor Expended. Along with the Fee Applications, Applicant submitted monthly time sheets to this Court listing the hours spent providing actuarial consulting services to the Debtors and the dates upon which, and the professional by whom, the services were rendered (“Invoices”). The Invoices cover the periods December 1 – December 31, 2002, and the following periods in 2003: January 1 – January 31; February 1- February 28; March 1 – March 31; April 1- April 30; May 1 – May 31; June 1 – June 30; July 1 – July 31; August 1 – August 31; September 1 – September 30; October 1 – October 31; and November 1 – November 30. The Invoices include descriptions of the services provided, including the subject matter of all conferences and telephone calls, the parties involved and the identity of all documents drafted, reviewed, and prepared on behalf of the Debtors, as well as the nature, purpose and necessity of all the services provided. A summary of the time costs by task/category and the reimbursable expenses incurred during the Final Fee Period is set forth on Schedule 1 annexed hereto. A summary of the total time expended by each professional in this case during the Final Period is set forth in Schedule 2 annexed hereto. Each of Applicant’s Fee Applicants is available upon request of the Court, or other party in interest.

b. Novelty & Difficulty of the Questions Involved. The professional services rendered by Applicant during the Final Fee Period are related principally to the Debtors’ Pension, Savings and Medical Plans (“Plans”) including, but are not limited to (i) design issues; (ii) services relating to corporate accounting for the Plans; (iii) examining the design and costs of alternative plan; (iv) negotiations with the various unions regarding various cost calculations and analysis and other Plan issues and (vii) project management.

c. Skills Requisite to Perform the Actuarial Services Properly. Applicant, a subsidiary of Mellon Financial Corporation (“MFC”), has been providing human resources consulting since 1916 as Buck Consultants, Inc. On October 1, 2003, Buck Consultants, Inc. changed its legal name to Mellon Consultants, Inc. Mellon Consultants ranks among the top five global human resource-consulting firms, with over 50 offices in 16 countries. Mellon Consultants employs approximately 3,500 professionals who serve over 5,000 clients throughout the world. Mellon Consultants’ service areas include compensation,

retirement programs, employee benefits, benefits administration outsourcing consulting, actuarial services, human resources management and communication consulting.

Mellon Consultants possesses a unique blend of business acumen, technical resources and professional expertise and has the backing, resources and complementary services of MFC. Mellon Consultants has extensive experience in bankruptcy proceedings under chapter 11 of the Bankruptcy Code, advising debtors, creditors and other parties-in-interest. Mellon Consultants has participated in numerous chapter 11 cases including, among others, Agway, Inc., LTV Steel Corporation, Owens Corning, Budget Group, Inc., Polaroid Corporation, Republic Technologies International LLC, and WorldCom, Inc.

d. Customary Fees. The rates charged by Mellon Consultants in this case are the regular and customary rates charged by Mellon Consultants in cases of this nature. The rates for each of Mellon Consultants' professionals rendering services during the Final Period are set forth in annexed Exhibit C. The fee requested by Mellon Consultants is not fixed or contingent, but is based upon Mellon Consultants' regular hourly rates.

e. Time Limitations. This case has involved a number of deadlines, many of which have been on short notice. In addition to requests from the Debtors, their counsel, and other parties in interest, the Pension Benefit Guaranty Corporation raised several critical issues that needed to be resolved in order for the Debtors to emerge from bankruptcy. All these professional services were rendered in addition to regular on-going actuarial and reporting requirements. Mellon Consultants worked diligently to meet all such critical and on-going requirements.

f. Amount of Time Involved & Results Obtained. Mellon Consultants has previously described the complexity of the issues involved in this case and respectfully submits that the time expended has benefited the Debtors, their estates and creditors, and has met or exceeded all reasonable expectations of the actuaries in similar cases.

g. Prior Professional Relationship with Debtor. Except as disclosed in the Affidavit and Amended Affidavit of Robert M. Howley, attached to the Motion to Retain and Employ Buck

Consultants, Inc., as Actuary to the Debtors, Mellon Consultants has had no contact with other parties in interest prior to the commencement of this case.

h. Awards in Similar Cases. The fees requested herein are commensurate with those charged by other actuarial and employee benefits consulting firms in this District for cases similar in size and nature to this case.

8. **ITEMIZATION OF FEES AND EXPENSES.** Mellon Consultants' fees for professional services rendered during the Final Fee Period aggregate \$715,676.00 and expenses of \$4,622.06 as summarized in Section 6 hereof. Mellon Consultants submits that all fees are reasonable and necessary.

9. **PROJECTED CATEGORIES.** Pursuant to the fee application guidelines of Region 10 of the United States Trustee's office, the Applicant has divided the services its performs for the Debtors into thirty-five (35) project categories. The following details the categories and the services performed for each of such categories:

**Project A:** Preparation and completion of FAS/132 Disclosure for seven (7) pension plans;

**Project B:** Preparation and completion of FAS 106 valuations as of January 1, 2003;

**Project C:** Preparation and completion of disclosure for FAS 106/132 for Medical Plans;

**Project D:** Preparation for and Attendance at meeting with PBGC in March 2003;

**Project E:** Analysis of temporary supplement and other IAI Hourly Plan Design for negotiations with USW;

**Project F:** Valuation of three plans for purposes of \$50 Million Underfunding Filing and calculate and prepare estimates of liabilities by PBGC categories for IAI, SMC Salaried and Hourly Plans;

**Project G:** Miscellaneous conference calls with Debtors' counsel and other parties in interest;

**Project H:** Review and analysis and preparation of projections for multi-employer Plan for Machinist Union;

**Project I:** Consulting on Health Care Designs including, among other services, analysis of active and retiree health care plans and cost sharing arrangements;

**Project J:** Review, analysis and determination of FAS 87 expense for five (5) Pension Plans;

- Project K:** Review, analysis and calculation regarding quarterly funding requirements for five (5) Pension Plans and analysis of IAII Hourly Funding requirements compared to SMC Hourly requirements;
- Project L:** Consulting with regard to 4044 calculations and analysis of priority categories for three (3) Pension Plans;
- Project M:** Review and analysis and preparation of projections for multi-employer Plan for Steelworker Union at Dunkirk;
- Project N:** Consulting and calculations for IAII Hourly and SMC Salaried Plans under three (3) alternative assuming Plan termination and establishment of successor plans;
- Project O:** Consulting relating to allocation of pre- and post-petition costs and expenses;
- Project P:** Review and analysis of employee communications (Q&A's) re PBCG & preparation of response to Debtor's counsel re: same;
- Project Q:** Preparation of billing invoices and monthly fee applications;
- Project R:** Review, analysis and preparation of projection relating to pension funding;
- Project S:** Analysis of lump sum provision for temporary supplement under SMC Salaried Plan;
- Project T:** Review, analysis, determination and preparation 2003 FAS 106 Valuations and development of unit costs for proper allocation between the for salaried and hourly retirees for New Hartford;
- Project U:** Consulting in connection with preparing response to PBGC inquires regarding funding forecasts;
- Project V:** Review, analysis and updating five (5) year funding projections in connection with PBGC inquiries;
- Project W:** Calculations for 80% test for reportable event and to determine non-vested liabilities;
- Project X:** Calculations of Plan Termination liabilities as of June 30, 2003;
- Project Y:** Consulting related to Form 600 and distress termination issues necessary to prepare as part of the distress termination information requested by the PBGC;
- Project Z:** Review, analysis and preparation of calculations comparing the cost of the old pension plans compared with the cost of the new proposed plans in preparation for testimony at Plan termination hearing;
- Project AA:** Preparation for and provide testimony for hearings in Lexington, Kentucky on September 10 and 11 and testimony on September 11 at Plan termination hearing;
- Project AB:** Services related to design of active and retiree medical programs and review of USWA proposals;
- Project AC:** Preparing calculations of accrued benefit obligations for SMC Salaried and IAII Hourly Plans at the direct request of Debtors' counsel in connection with Debtors' response to PBGC claims;

**Project AD:** Consulting services concerning issues surrounding the CIGNA contract purchased as part of the Plan termination in 1985;

**Project AE:** Consulting services regarding review of response to inquiries of Salaried Retirees Committee;

**Project AF:** Consulting services relating to QDRO issues for Security Reserve Plan;

**Project AG:** Consulting services regarding to Plan issues, conference Calls and preparation for and attendance at November 20, 2003 meeting;

**Project AH:** Consulting services relating to issues raised by PBGC regarding UK Subsidiaries; and

**Project AI:** Review, analysis and consulting services regarding PBGC administrative claim as submitted to Mc Consulting Regarding PBGC Administrative Claim as Submitted to McGuire Woods and Dennis Wanlass.

10. **ITEMIZATION OF COSTS.** In addition to the professional fees, Mellon Consultants has expended \$4,622.06 in reasonable costs necessarily incurred during the Final Fee Period as summarized in Section 6 herein and itemized at the end of Mellon Consultants' monthly invoices.

Approval of these expenses is hereby sought.

11. **INTERIM FEE ORDER HOLD BACK AMOUNTS.** The Interim Fee Order provides that Mellon Consultants may request 80% of its reimbursable fees with a 20% holdback and 100% of its reimbursable costs no earlier than the 25<sup>th</sup> of each calendar month. A professional may request payment of the holdback amounts in a formal 11 U.S.C. §331 fee application. The 20% holdback for the Fee Applications submitted during this Final Fee Period equals \$122,501.76 and payment of this amount is hereby requested. In addition, Applicant has received no payments for its September, October and November monthly fee applications totaling \$103,699.31 and 100% payment of these amounts is hereby requested.

**WHEREFORE**, Mellon Consultants, Inc. respectfully prays that this Court (i) approve the total fees charged for this Final Fee Period in the amount of \$715,676.00; (ii) approve the total expenses charged for the same period of \$4,622.06; and (i) approve and direct the Debtors to pay Mellon Consultants its unpaid fees and expenses for this Final Period in the amount of \$ ~~226,201.07~~ as described therein.

New York, New Jersey  
Dated: January 7, 2004

Respectfully submitted,

By: Robert M. Howley  
Robert M. Howley  
Associate Principal, Retirement Actuary

MELLON CONSULTANTS, INC., f/k/a  
BUCK CONSULTANTS, INC.  
Actuary for the Debtors  
500 Plaza Drive  
Secaucus, NJ 07096-1533  
(201) 902-2956



**NOTICE OF HEARING**

**PLEASE TAKE NOTICE** that the foregoing First and Final Fee Application Request of Mellon Consultants, Inc. will be brought on for hearing before the United States Bankruptcy Court, Eastern District of Kentucky, 100 East Vine Street, Lexington, Kentucky 40507, on February 5, 2004, at the hour of 2:00 p.m., or as soon thereafter as counsel may be heard.

Respectfully submitted,

/s/ Gregory R. Schaaf

Gregory R. Schaaf  
Kimberly H. Bryant  
GREENEBAUM DOLL & McDONALD PLLC  
300 West Vine Street, Suite 1100  
Lexington, Kentucky 40507  
Telephone: (859) 231-8500  
Facsimile: (859) 255-2742  
**COUNSEL FOR THE DEBTORS**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing was served this 12th day of January, 2004, by regular United States mail, postage prepaid, upon the following:

Special Metals Corporation  
Attn: Dennis Wanlass  
3200 Riverside Drive  
Huntington, WV 25705-1771

McGuireWoods LLP  
Attn: Robert G. Sable and Mark E. Freedlander  
625 Liberty Avenue  
Dominion Tower, 23<sup>rd</sup> Floor  
Pittsburgh, PA 15222

Blank Rome Tenzer & Greenblatt, LLP  
Attn: Marc E. Richards  
Chrysler Building  
405 Lexington Avenue  
New York, NY 10174-0208

Stoll, Keenon & Park, LLP  
Attn: Gregoroy D. Pavey  
300 West Vine Street, Suite 2100  
Lexington, KY 40507

Credit Lyonnais  
c/o Latham & Watkins  
Attn: Robert Rosenberg and Shari Siegel  
885 Third Avenue, Suite 1000  
New York, NY 10022

Wise & DelCotto PLLC  
Attn: Tracey N. Wise  
219 North Upper Street  
Lexington, KY 40507

Office of the United States Trustee  
100 East Vine Street, Suite 803  
Lexington, Kentucky 40507

/s/ Gregory R. Schaaf  
**COUNSEL FOR THE DEBTORS**

AFFIDAVIT

STATE OF NEW YORK )  
 ) SS:  
 COUNTY OF NEW YORK )

Robert M. Howley, being duly sworn on oath, deposes and says that he is an Associate Principal, Retirement Actuary, employed by Mellon Consultants, Inc., f/k/a Buck Consultants, Inc., Actuary for the Debtor herein.

That Mellon Consultants, Inc. is a disinterested person and does not represent or hold any interest adverse to the interests of the estates on the matters for which it was employed, in accordance with Section 327(a) of the Bankruptcy Code.

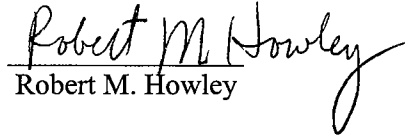
That no prohibited agreement or understanding exists between Mellon Consultants, Inc. or any of its employees and any other person or persons for a division of compensation in this proceeding;

That no division of fees prohibited by §504 of the Bankruptcy Code has been or will be made;

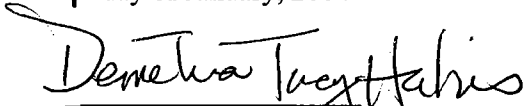
That no agreement prohibited by 18 U.S.C. §155 has been or will be made by Mellon Consultants, Inc. or any of its employees;

That no other prohibited division of compensation has been or will be made by Mellon Consultants, Inc. or any of its employees;

That, in addition, the foregoing First and Final Interim Fee Application is submitted in accordance with the provisions of Rule 2016 of the Federal Rules of Bankruptcy Procedure and the Rules of this Court.

  
 Robert M. Howley

Sworn to before me this  
 7<sup>th</sup> day of January, 2004

  
 Notary Public, State of New York  
 Commission Expires: 10/31/05

**DEMETRA TRACEY HATZIS**  
**Notary Public, State of New York**  
**No. 01HA4738721**  
**Qualified in Nassau County**  
**Commission Expire October 31, 2005**

**EXHIBIT A**

**BUCK CONSULTANTS, INC.  
RETENTION ORDER**

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF KENTUCKY  
ASHLAND DIVISION**

IN RE: ) Chapter 11  
SPECIAL METALS CORPORATION, et al. )  
 ) Bankruptcy Nos. 02-10335 -  
 ) 02-10338  
 )  
 ) JOINTLY ADMINISTERED  
 )  
 ) JUDGE WILLIAM S. HOWARD

**ORDER AUTHORIZING DEBTORS TO RETAIN AND EMPLOY  
BUCK CONSULTANTS, INC. AS ACTUARY NUNC PRO TUNC**

This matter coming before the Court on the Application for an Order Authorizing the Employment of Buck Consultants as Actuary pursuant to Section 327(a) of the Bankruptcy Code (the "Application"), filed by the above-captioned debtors in possession (collectively, the "Debtors"); the Court having reviewed (i) the Application and (ii) the affidavit of Robert M. Howley (the "Affidavit") and the Court having determined that the legal and factual bases set forth in the Application and the Affidavit establish just case for the relief granted herein;

**THE COURT HEREBY FINDS THAT:**

- A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
- C. Notice of the Application was sufficient under the circumstances.
- D. The Application and the Affidavit are in full compliance with all applicable provisions of the Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the "Bankruptcy Code"); the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"); and the Local Bankruptcy Rules of this Court (the "Local Rules"). Buck Consultants does not hold or represent any interest adverse to the Debtors' estates with respect to the matters on which it is to be employed.

E. The Debtors' employment of Buck Consultants in accordance with the Application and this Order is in the best interests of the Debtors and their respective estates and creditors.

IT IS HEREBY ORDERED THAT:

1. The Application is GRANTED.
2. Capitalized terms not otherwise defined herein have the meanings given to them in the Application.
3. The Debtors are authorized to retain and employ Buck Consultants as their Actuary pursuant to section 327(a) of the Bankruptcy Code, on the terms and conditions set forth in the Application, effective as of the Filing Date.
4. Buck Consultants shall be compensated for its services and reimbursed for its related expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and the Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals.
5. All compensation received by Buck Consultants through September, 2002 as an ordinary course professional is approved without further Order of Court.

Pursuant to Local Rule 9022-1(c), counsel for the Debtors shall cause a copy of this order to be served on each of the parties listed on the current Short Service List on file with the Court pursuant to Local Rule 9022-1(a) and shall file with the court a certificate of service of the order upon such parties within ten (10) days hereof.



Signed By:  
***William S. Howard***  
Bankruptcy Judge  
Dated: Tuesday, May 27, 2003  
(ims)

**SCHEDULE 1**

Name of Professional	Dec. 2002	Jan. 2003	Feb. 2003	Mar. 2003	April 2003	May 2003	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003	Nov. 2003
Robert Anderson			2,592.00	2,592.00								
Rosangela Battaglia			210.00	140.00								
Darrin Best												800.00
Essie Carmacho	70.00	525.00	105.00	154.00	294.00	252.00	604.80					
Damian M. Caputo		588.00										
Kelly Dugan							156.80					
Patrick Eagan					720.00							
David J. Eisenreich	3,332.00	272.00				156.00						
Nancy J. Gaffney	3,740.00	4,760.00		353.60	1,387.20	3,240.00	1,560.00					
Gregory Glashan												
Demetria Hatzis						2,808.00	672.00	1,728.00	2,640.00		1,920.00	1,200.00
Patricio G. Henriquez		1,836.00										576.00
Kelly Anne Heron	1,372.00	784.00			4,194.40	4,194.40						
Robert Howley	2,755.00	15,010.00	38,190.00	29,716.00	25,688.00	14,440.00	15,694.00	17,875.20	9,587.20	18,278.40	19,040.00	23,654.40
Yong Jaing			5,184.00	3,840.00	14,208.00	6,336.00	17,664.00	12,400.00	2,700.00	100.00		
Tammie M. Johnson	17,150.00	11,564.00		882.00						510.00		
Cheryl Jones	350.00	105.00	70.00					72.00				
Murray Kelrick	23,220.00	33,570.00	19,530.00	26,892.00	44,568.00	21,420.00	19,836.00	18,612.00	13,385.60	10,302.40	376.00	8,648.00
Klieber, Eric									222.00	672.00	896.00	448.00
Lacy, Lorin				6,336.00						6,912.00		
Peter J. McCormick		4,032.00	4,032.00	230.40	921.60						288.00	3,052.80
Mitchell, Mary					380.00							
Eric Palley				452.00					140.40			179.20
Magda Ramirez												4,400.00
Janice Room		486.00										
James Rotenberg				150.00								
Frederick Rumack					528.00	264.00	264.00					726.00
Ron J. Stonehill			18,914.00	9,604.00	784.00			714.00				
Elissa Tauber			2,584.00									
Jennifer Tarnir											188.00	
Bruce Welch		5,508.00	3,604.00	19,121.60	1,060.80	5,304.00	5,956.80	142.00				
Total Fees	51,989.00	45,470.00	95,015.00	100,463.60	93,720.00	59,020.40	61,898.80	52,460.80	28,675.20	36,774.80	22,708.00	43,684.40

**SCHEDULE 2-TOTAL FEES BY PROJECT CATEGORY**

Project	12/02-2/03	March 2003	April 2003	May 2003	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003	Nov. 2003
December 2002 Fees	50,900.00									
January 2003 Fees	75,430.00									
February 2003 Fees	89,940.00									
A FAS/132 Disclosure for 7 pension plans		15,972.00								
B FAS 106 valuations as of January 1, 2003		16,846.00	18,395.20	19,663.60	34,095.20	12,194.80				
C Complete Disclosure for FAS 106/132 for Medical Plans		10,089.60								
D Preparation and Attendance PBGC meeting		22,510.00	3,600.00		984.00					
E Analysis of temporary supplement and other IAII Hourly Plan Design for negotiations with USW		4,916.00	7,796.80	5,446.80						
F Valuation of three plans for purposes of \$50 Million Underfunding Filing and calculate and prepare estimates of liabilities by PBGC categories for IAII, SMC Salaried and Hourly Plans		14,334.00	14,626.00							
G Miscellaneous conference calls with Debtors' counsel and other parties in interest		1,860.00								
H Review and analysis and preparation of projections for multi-employer Plan for Machinist Union		5,980.00								
I Consulting on Health Care Designs		7,956.00								
J FAS 87 expense for five (5) Pension Plans			6,334.00	5,828.00	2,700.00					
K Quarterly funding requirements for five (5) Pension Plans and analysis of IAII Hourly Funding requirements compared to SMC Hourly requirements			8,404.00							
L 4044 calculations and analysis of priority categories for three (3) Pension Plans			10,414.80	6,465.60						
M Projections for multi-employer Plan for Steelworker Union at Dunkirk			9,157.20							
N Consulting and calculations for IAII Hourly and SMC Salaried Plans under three (3) alternative assuming Plan termination and establishment of successor plans			7,748.00							
O Allocation of pre- and post-petition costs and expenses			7,244.00	5,124.00						
P Review and analysis of employee communications (Q&A's) re PBGC & preparation of response to Debtor's counsel re: same			11,530.40							
Q Billing invoices & fee applications			4,962.00	1,304.00	3,228.80	3,536.00			2,816.00	1,872.00
R Projection relating to pension funding				20,345.60						
S Lump sum provision for temporary supplement under SMC Salaried Plan				2,470.00						
T 2003 FAS 106 Valuations and development of unit costs for proper allocation between the for salaried and hourly retirees for New Hartford						13,941.20	7,617.60			

	Project	12/02-2/03	March 2003	April 2003	May 2003	June 2003	July 2003	Aug. 2003	Sept. 2003	Oct. 2003	Nov. 2003
U	Preparing response to PBGC inquires regarding funding forecasts						5,540.00		3,170.40		
V	Review, analysis and updating five (5) year funding projections in connection with PBGC inquiries						7,894.40				
W	Calculations for 80% test for reportable event and to determine non-vested liabilities						9,661.60				
X	Calculations of Plan Termination liabilities as of June 30, 2003							8,973.60			
Y	Form 600 and distress termination issues necessary to prepare as part of the distress termination information requested by the PBGC							8,548.00	3,394.40	9,336.00	6,388.40
Z	Review, analysis and preparation of calculations comparing the cost of the old pension plans compared with the cost of the new proposed plans in preparation for testimony at Plan termination hearing								11,572.00		
AA	Preparation for and testimony for 9/10 and 9/11 Court hearings								6,720.00		
AB	Services related to design of active and retiree medical programs and review of USWA proposals								7,422.00		
AC	Calculations of accrued benefit obligations for SMC Salaried and IAII Hourly Plans in connection with Debtors' response to PBGC claims								3,152.00		
AD	Consulting services concerning issues surrounding the CIGNA contract purchased as part of the Plan termination in 1985								1,344.00	9,408.00	2,240.00
AE	Consulting services regarding review of response to inquiries of Salaried Retirees Committee									960.00	
AF	Consulting service relating to QDRO issues for Security Reserve Plan									188.00	
AG	Consulting service regarding to Plan issues, conference Calls and preparation for and attendance at November 20, 2003 meeting										28,636.80
AH	Consulting services relating to issues raised by PBGC regarding UK Subsidiaries										2,451.20
AI	Review, analysis and consulting services regarding PBGC administrative claim as submitted to McGuire Woods and Dennis Wanlass										2,096.00
	<b>Total Fees</b>	216,270.00	100,463.60	93,720.00	59,020.40	61,898.80	52,460.80	28,675.20	36,774.80	22,708.00	43,684.40
	<b>Expenses</b>		1,083.37	42.00		1,635.26			1,329.32		532.11
	<b>Total Fees &amp; Expenses</b>	216,270.00	101,546.97	93,762.00	59,020.40	63,534.06	52,460.80	28,675.20	38,104.12	22,708.00	44,216.51