

David M. Friedman (DF4278)  
Andrew K. Glenn (AG 9934)  
KASOWITZ, BENSON, TORRES & FRIEDMAN LLP  
Counsel to the Official Committee of Unsecured Creditors  
1633 Broadway  
New York, New York 10019  
(212) 506-1700

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re :  
:   
SUNBEAM CORPORATION, : Chapter 11  
: Case No. 01-40291 (AJG)  
Debtor. :  
:   
-----X

**FINAL APPLICATION OF KASOWITZ, BENSON, TORRES & FRIEDMAN LLP,  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Pursuant to Sections 327, 330 and 331 of Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Retention Order (as defined below), the Order under 11 U.S.C. §§ 105(a) and 331 Establishing Procedure for Monthly Compensation and Reimbursement of Expenses of Professionals (the “Interim Compensation Order”), and the Confirmation Order (as defined below), the law firm of Kasowitz, Benson, Torres & Friedman LLP (“KBT&F”), hereby applies (the Application”) for an order (A) allowing KBT&F on a final basis (i) compensation in the amount of \$1,028,276.63 for the reasonable and necessary legal services KBT&F has rendered to the Official Committee of Unsecured Creditors (the "Committee") and (ii) reimbursement in the amount of \$106,723.34 for the actual and necessary expenses that KBT&F incurred during this case and (B) directing the Debtor to pay KBT&F the amount of \$600,000, which represents the unpaid balance of fees incurred in this case. In support of this Application,

KBT&F respectfully states as follows:

### **BACKGROUND**

1. On February 6, 2001 (the "Petition Date"), Sunbeam Corporation ("Sunbeam" or "Debtor") filed a voluntary petition under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code").

2. On February 13, 2001, the Office of the United States Trustee formed the Committee pursuant to Section 1102(a)(1) of the Bankruptcy Code. The members of the Committee are: Albert Fried & Company, LLC, Conseco Capital Management, Elliott International, HBK Master Fund, KS Capital Partners, L.P., Moses Marx, Oaktree Capital Management, St. Paul Fire and Marine Insurance Company and T. Rowe Price Recovery Fund II LLP.

3. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding and this Application is proper in this judicial district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are Sections 328 and 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014.

4. By Order, dated November 27, 2002, the Court confirmed the Debtor's Third Amended Plan of Reorganization (the "Plan"), which became effective on or about December 17, 2002.

5. In the Plan, the Debtors, the Pre-Petition Lenders, the Committee and the Committee's professionals agreed that such professionals would cap the amount of unpaid fees at \$1,000,000. Subsequently, KBT&F and Chanin Capital Partners, the Committee's professionals, agreed that they would allocate this amount, 60% and 40%, respectively. Pursuant to this

agreement, KBT&F has reduced its request for final compensation by \$57,074.37.

6. Throughout this case, KBT&F actively represented the Committee and its interests and had significant involvement in all aspects of the Debtor's Chapter 11 case. KBT&F has worked diligently to maximize the recovery to the Debtor's unsecured creditors and has done so at a relatively low cost to the estate and its constituents by utilizing only one partner and one associate to perform most services on behalf of the Committee.

7. By this application, KBT&F seeks final allowance of compensation for the reasonable and necessary services rendered and reimbursement of actual and necessary expenses incurred during this case.

**RETENTION AND CONTINUING DISINTERESTEDNESS OF KBT&F**

8. By the Court's Order, dated February 6, 2001, the Committee was authorized to retain KBT&F as their counsel in this Chapter 11 case pursuant to Sections 328 and 1103(a) of the Bankruptcy Code (the "Retention Order"). The Retention Order authorizes the Debtor to compensate KBT&F at KBT&F's hourly rates charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expense that it incurred, subject to application to this Court in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Interim Compensation Order and all applicable local rules and orders of this Court.

9. KBT&F filed the Affidavit of David M. Friedman in Support of the Application for Order Pursuant to Section 327(a) of the Bankruptcy Code Authorizing Employment and Retention of KBT&F as Counsel to the Committee ("Friedman Affidavit"). KBT&F does not hold or represent any interest adverse to the Debtor's estate, except as disclosed in the Friedman Affidavit. KBT&F is a disinterested person as that term is defined in Section 101(14) of the Bankruptcy Code as modified by Section 1107(b) of the Bankruptcy Code. KBT&F may have in

the past represented, may currently represent, and likely in the future will represent parties in interest in connection with matters unrelated to the Debtor and this case. KBT&F has disclosed in the Friedman Affidavit its connections to parties in interest that it has been able to ascertain using its reasonable efforts.

**COMPLIANCE WITH GUIDELINES AND ORDERS GOVERNING  
APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

10. 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, Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 10, 1991 (collectively, the “Local Guidelines”), 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 (the “UST Guidelines” and, collectively with the Local Guidelines, the “Guidelines”), the Interim Compensation Order, and the Confirmation Order. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit A.

**MONTHLY FEE STATEMENTS AND PRIOR FEE APPLICATIONS**

11. To date, KBT&F has served five monthly fee statements in accordance with the Interim Compensation Order. The amounts that KBT&F has requested in the monthly fee statements as compensation for its actual fees and expenses for each month during the pendency of this case are listed on Exhibit B hereto.

12. On May 9, 2001, KBT&F filed its Application For First Monthly Allowance of Compensation and Reimbursement of Expenses for the period February 6, 2001 through

February 28, 2001, in which it sought compensation in the amount of \$59,282.50 for actual and necessary services that KBT&F rendered and reimbursement of actual and necessary expenses that KBT&F incurred in the amount of \$3,412.04. On May 9, 2001, KBT&F filed its Application For Second Monthly Allowance of Compensation and Reimbursement of Expenses for the period March 1, 2001 through March 31, 2002 , in which it sought compensation in the amount of \$62,698.00 for actual and necessary services that KBT&F rendered and reimbursement of actual and necessary expenses that KBT&F incurred in the amount of \$1,833.61. On May 16, 2001, KBT&F filed its Application For Third Monthly Allowance of Compensation and Reimbursement of Expenses for the period April 1, 2001 through April 30, 2001, in which it sought compensation in the amount of \$85,889.00 for actual and necessary services that KBT&F rendered and reimbursement of actual and necessary expenses that KBT&F incurred in the amount of \$2,993.85. On July 6, 2001, KBT&F filed its Application For Fourth Monthly Allowance of Compensation and Reimbursement of Expenses for the period May 1, 2001 through May 31, 2002, in which it sought compensation in the amount of \$120,595.00 for actual and necessary services that KBT&F rendered and reimbursement of actual and necessary expenses that KBT&F incurred in the amount of \$5,018.82. On August 16, 2001, KBT&F filed its Application For Fifth Monthly Allowance of Compensation and Reimbursement of Expenses for the period June 1, 2001 through June 30, 2001, in which it sought compensation in the amount of \$201,775.50 for actual and necessary services that KBT&F rendered and reimbursement of actual and necessary expenses that KBT&F incurred in the amount of \$17,892.58.

13. By Order, dated August 31, 2001 (the "First Interim Compensation Order"), this Court granted KBT&F's first interim fee application and allowed KBT&F on an interim basis (i)

compensation in the amount of \$328,464.50, of which \$16,423.22 was held back and (ii) reimbursement of expenses in the amount of \$13,258.32. These amounts had been incurred from February 15, 2001 through May 31, 2001. Since the Interim Compensation Order was entered, the Pre-Petition Lenders have taken the position that their cash collateral could not be used to pay the Committee's professionals; since the Debtor had no unencumbered collateral, the Committee's professionals could not be paid. Consequently, after the Court denied KBT&F's motion to compel the Debtor and the Pre-Petition Lenders to pay the Committee's professional fees, KBT&F ceased filing interim fee applications.

**REASONABLE AND NECESSARY  
SERVICES RENDERED BY KBT&F DURING THE SIXTH FEE PERIOD**

14. A schedule setting forth the number of hours expended during the period of June 1, 2001 through December 31, 2002 (the "Second Interim Fee Period")<sup>1</sup> by each of the partners, associates and paraprofessionals of KBT&F who rendered services to the Debtor, their respective hourly rates, and the year of bar admissions for each KBT&F attorney is attached hereto as Exhibit C-1. A schedule specifying the categories of expenses incurred by KBT&F during the Second Interim Fee Period for which KBT&F is seeking reimbursement and the total amount of each such expense category is attached hereto as Exhibit D. Pursuant to the UST Guidelines, a schedule setting forth a description of the project categories utilized in this case and the aggregate fees and disbursements associated with each project category during the Second

---

<sup>1</sup> The total number of hours expended from June 1, 2001 through December 31, 2002 by each of the partners, associates, and paraprofessionals of KBT&F who rendered services to the Debtors, their respective hourly rates, and the year of bar admission for each KBT&F attorney are set forth on a schedule attached hereto as Exhibit C-2.

Interim Fee Period is attached hereto as Exhibit E.

15. KBT&F maintains computerized records of the time spent by all KBT&F professionals and paraprofessionals during the Second Interim Fee Period in connection with its representation of the Committee, and copies of these computerized records, including the number of hours expended by the partners, associates, and paraprofessionals of KBT&F by project category, are attached hereto as Exhibit F.

16. The rates described in Exhibits C-1 and C-2 are KBT&F's normal hourly rates for services of this type. Based on these rates and the services performed by each individual during the Second Interim Fee Period, the reasonable value of such services is \$756,886.50. KBT&F professionals and paraprofessionals expended a total of 2,365.90 hours in their respective representation of the Committee during the Second Interim Fee Period. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (a) the complexity of this case; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services and (e) the costs of comparable services other than in a case under the Bankruptcy Code.

17. Further, Exhibit F (i) identifies the individuals that rendered services during the Second Interim Fee Period in each Project Matter (as defined below); (ii) describes each activity or service that each individual performed; and (iii) states the number of hours (in increments of one-tenth of an hour) spent by each individual providing the services. If a certain Project Matter does not appear, the KBT&F did not bill time for that Project Matter during the Second Interim Fee Period.

**REASONABLE AND NECESSARY SERVICES RENDERED  
BY KBT&F FROM JUNE 1, 2001 THROUGH  
DECEMBER 31, 2002 CATEGORIZED BY PROJECT MATTER**

18. The professional services that KBT&F rendered during the Second Interim Fee Period are grouped into the numbered and titled categories of project matters (the “Project Matter(s)”) described below.

Asset Analysis (Work Code 06180002)

19. Work on this matter included varied due diligence regarding the Debtor’s assets, including assets that the Debtor considered selling, review and analysis of valuation materials, meetings with Chanin Capital Partners regarding same and review and analysis of Debtor’s Schedules and Statements of Financial Affairs.

Case Administration and Document Management (Work Code 06180004)

20. Work on this matter included review of various pleadings filed with the Court and general monitoring of the Chapter 11 case.

Fee Applications and Employment Applications (Work Code 06180006)

21. Work on this matter included the preparation of retention and fee applications for the Committee’s professionals.

Plan and Disclosure Statement (Work Code 06180007)

22. Work on this matter included (i) review of Debtor’s (and its subsidiary debtors’) disclosure statements and plans of reorganization, (ii) drafting and filing of the Committee’s objection to the Debtor’s Disclosure Statement, (iii) participation in extensive discovery for a



contested plan confirmation, (iv) attendance and participation in the hearing regarding same, (v) research relating to potential objections to the Debtors' plans (vi) drafting of the Committee's objection to Plan confirmation and (v) extensive negotiations regarding Plan formulation and confirmation.

Litigation (Work Code 06180010)

23. Work on this matter included extensive analysis of claims against the pre-petition lenders (including a perfection analysis of such lenders' liens and a review of thousands of documents produced by the Debtor and the Debtor's pre-petition lenders), the preparation of a complaint against such lenders and the prosecution of such claims in the adversary proceeding filed in this Court and related appeals.

Financing (Work Code 06180011)

24. Work on this matter included meetings with Committee, Debtor's counsel and counsel to the Pre-Petition Lenders regarding the DIP financing, review and analysis of the proposed DIP financing and preparation of an objection to the DIP financing.

Meetings of Creditors (Work Code 06180012)

25. Work on this matter included preparation for and attendance at numerous meetings of the Committee and other communications with Committee members regarding the status of the case and other issues.

26. The foregoing professional services performed by KBT&F were necessary and appropriate for its representation of the Committee in connection with the Debtor's Chapter 11 case. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional

services were performed in an efficient manner.

27. KBT&F's work on this matter produced a significant recovery for its constituency. At the inception of this case, the Debtor filed a plan of reorganization contemplating no recovery for unsecured creditors. In the Plan, however, general unsecured creditors received a recovery of approximately 5%, and holders of the Debtors' zero-coupon subordinated notes received 1.5% of the Debtors' equity. This recovery was a direct result of the claims asserted by KBT&F on behalf of the Committee and the Debtor's estate in an adversary proceeding commenced against the Pre-Petition lenders and Morgan Stanley. Moreover, as set forth above, KBT&F has agreed to reduce its request for compensation by \$57,074.37 to facilitate this settlement for the benefit of general unsecured creditors.

#### **ACTUAL AND NECESSARY EXPENSES**

28. It is KBT&F's policy to charge its clients in all areas of practice for identifiable non-overhead expense incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is KBT&F's policy to charge its clients only the amount actually incurred by KBT&F in connection with such items. Examples of such expenses are postage, overnight mail, courier deliver, transportation, overtime expenses, computer assisted legal research, photocopying, out-going facsimile transmissions, airfare, meals, and lodging. With respect to airfare expenses, all travel, by all individuals, is billed at the coach class rate with the allowance of class upgrades.

29. KBT&F charges: (i) \$0.05 per page for duplication; and (ii) long distance toll for outgoing telecopier transmissions (plus related toll charges). KBT&F does not charge its clients for incoming telecopier transmissions.

30. A summary of expenses by type made by KBT&F on the behalf of the Committee during the Second Interim Fee Period is attached hereto as Exhibit D. All of these disbursements comprise the requested sum for KBT&F's out-of-pocket expenses incurred during the Second Interim Fee Period, totaling \$93,465.02. A detailed itemization and description of the disbursement by category is also set forth in Exhibit E. The categories within Exhibit E correspond to the Project Matters described in Paragraphs 27(a) - 27(g) hereinabove. Any missing Project Matter merely indicates that no expenses corresponding to that Project matter were attributed to such Project Matter during the Second Interim Fee Period.

### **KBT&F'S REPRESENTATION**

31. As set forth in the certification of David M. Friedman, annexed hereto as Exhibit A, the compensation requested by KBT&F is based on the customary compensation charged by comparably skilled practitioners in cases other than cases under the Bankruptcy Code.

32. KBT&F performed the services for which it is seeking compensation on behalf of or for the benefit of the Committee, and not on behalf of any other person.

33. The amounts paid under the monthly fee statements and the amounts received pursuant to the Compensation Order, KBT&F has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with this case.

34. No agreement or understanding exists between KBT&F and any other person for a sharing of compensation received or to be received for services rendered in or in connection with this Chapter 11 case, nor shall KBT&F share or agree to share the compensation paid or allowed from the Debtor's estate for such services with any other person. The foregoing constitutes the statement of KBT&F pursuant to Section 504 of the Bankruptcy Code and the Bankruptcy Rule

2016(a).

**NOTICE**

35. In accordance with the Interim Compensation Order, notice of this Application has been given to the United States Trustee, counsel to the Debtor and counsel to the Debtor's pre- and post-petition lenders. The Committee submits that no other further notice be provided.

WHEREFORE, KBT&F requests entry of an order (A) allowing KBT&F on the final basis (i) compensation in the amount of \$1,028,276.63 for the reasonable and necessary legal services KBT&F has rendered to the Committee during this case and (ii) reimbursement in the amount of \$106,723.34 for the actual and necessary expenses that KBT&F incurred; and (B) directing the Debtor to pay \$600,000, which represents the outstanding balance of fees and expenses currently outstanding.

Dated: February 6, 2003  
New York New York

Respectfully submitted,

KASOWITZ, BENSON, TORRES & FRIEDMAN

David M. Friedman

David M. Friedman (DF 4278)  
Andrew K. Glenn (AG 9934)  
1633 Broadway  
New York, New York 10019  
(212) 506-1700

Counsel to the Official Committee of Unsecured Creditors

David M. Friedman (DF4278)  
KASOWITZ, BENSON, TORRES & FRIEDMAN LLP  
Counsel To The Official Committee Of Unsecured Creditors  
1633 Broadway  
New York, New York 10019  
(212) 506-1700

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re :  
 :  
SUNBEAM CORPORATION, : Chapter 11  
 : Case No. 01-40291 (AJG)  
Debtor. :  
 :  
-----X

**EXHIBIT A**

**CERTIFICATION UNDER GUIDELINES  
FOR FEES AND DISBURSEMENTS FOR PROFESSIONALS  
IN RESPECT OF THE APPLICATION OF KBT&F  
FOR FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, David M. Friedman, hereby certify that:

1. I am an attorney at law, admitted to practice before this Court, and am a member of the law firm of Kasowitz, Benson, Torres & Friedman (“KBT&F”), counsel to the Official Committee of Unsecured Creditors (the "Committee"). I am the professional designated by KBT&F in respect of compliance 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 Guidelines for Fees and Disbursements for Professional in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, 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 (the “UST Guidelines,” together with the Local Guidelines, the “Guidelines”).

2. I make this certification in respect of KBT&F's application for final compensation and reimbursement of expenses for the period beginning February 6, 2001 through December 31, 2002 (the "Application") in accordance with the Local Guidelines.

3. In respect of Section B.1 of the Local guidelines, I certify that:

(a) I have read the Application.

(b) To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines.

(c) Except to the extent that fees and disbursements are prohibited by the guidelines, the fees and disbursements sought are billed at rates in accordance with rates customarily employed by KBT&F and generally accepted by KBT&F's clients.

(d) In providing a reimbursable service, KBT&F does not make a profit on that service, whether the service is performed by KBT&F in-house or through a third party.

4. In respect of Section B.2 of the Local Guidelines, I certify that KBT&F has been providing, on a monthly basis, statements of KBT&F's fees and disbursements accrued during each month in accordance with the procures approved by this Court in the Interim Compensation Order (as this term is defined in the Application).

(5) In respect of Section B.3 of the Local Guidelines, I certify that copies of the Application are being provided to (a) the United States Trustee for the Southern District of New York; (b) the chair of the Committee; (c) counsel to the Debtor and (d) counsel to the Debtor's pre-petition and post-petition lenders.

(6) By this certification, KBT&F does not waive or release any rights or entitlements it has under the order of this Court, dated February 6, 2001, approving, under Section 328(a) of the bankruptcy Code, KBT&F's retention by the Committee pursuant to KBT&F's normal

billing rates and customary reimbursement and disbursement practices.

4. In respect of section B.3 of the Local Guidelines, I certify that counsel for the Debtor and the United States Trustee for the Southern District of New York are each being provided with a copy of the Application.

/s/ David M. Friedman

### Summary of Monthly Fee Statements

<b>Date Served Fee Statement</b>	<b>Period Covered by Fee Statement</b>	<b>Amount of Fees Generated</b>	<b>Amount of Expenses Incurred</b>	<b>Total Fees and Expenses</b>	<b>Payments Received</b>	<b>Balance Due</b>
May 9, 2001	February 6, 2001-February 28, 2001	\$59,282.50	\$3,412.04	\$62,694.54	\$62,694.54	\$0.00
May 9, 2002	March 1, 2001-March 31, 2002	\$62,698.00	\$1,833.61	\$64,531.61	\$64,531.61	\$0.00
May 16, 2001	April 1, 2001-April 30, 2001	\$85,889.00	\$2,993.85	\$88,882.85	\$88,882.85	\$0.00
July 6, 2001	May 1, 2001-May 31, 2001	\$120,595.00	\$5,018.82	\$125,613.82	\$125,613.82	\$0.00
August 16, 2001	June 1, 2001-June 30, 2001	\$201,775.50	\$17,892.58	\$219,668.08	\$193,277.15	\$26,390.93
February 3, 2003	July 1, 2001-Dec. 31, 2002	\$555,111.00	\$75,572.44	\$630,683.44	\$0.00	\$630,683.44
<b>TOTALS:</b>		\$1,085,351.00	\$106,723.34	\$1,192,074.34	-\$534,999.97	\$657,074.37
<b>WRITE OFFS:</b>						-\$57,074.37
<b>AMOUNT DUE:</b>						\$600,000.00



**EXHIBIT B**

**Summary of Payments Made on Account of Monthly Fee Statements and Interim Fee Applications**

**1. Monthly Fee Statements:**

<b>Date Served Fee Statement</b>	<b>Period Covered by Fee Statement</b>	<b>Method of Approval For Payment</b>	<b>Amount of Fees Generated</b>	<b>Amount of Fees Requested and Paid (80% of Amount of Fees Generated) / Date of Payment</b>	<b>Amount of Expenses Incurred Requested and Paid / Date of Payment</b>	<b>Amount of Fees Held Back Until the Interim and Final Hearings</b>
May 9, 2001	February 6, 2001-February 28, 2001	Order	\$59,282.50	\$47,426.00	\$3,412.04	\$11,856.50
May 9, 2002	March 1, 2001-March 31, 2002	Order	\$62,698.00	\$50,158.40	\$1,833.61	\$12,539.60
May 16, 2001	April 1, 2001-April 30, 2001	Order	\$85,889.00	\$68,711.20	\$2,993.85	\$17,177.80
July 6, 2001	May 1, 2001-May 31, 2001	Order	\$120,595.00	\$96,476.00	\$5,018.82	\$24,119.00
August 16, 2001	June 1, 2001-June 30, 2001	Order	\$201,775.50	\$161,420.40	\$17,892.58	\$40,355.10

**2. Interim Fee Applications:**

<b>Date Application Filed</b>	<b>Period Covered by Application</b>	<b>Method of Approval for Payment</b>	<b>Amount of Fees Requested</b>	<b>Amount of Expenses Requested</b>	<b>Balance Due for Fees</b>	<b>Balance Due for Expenses</b>
July 19, 2001	February 6, 2001-May 31, 2001	Order	\$328,464.50,	\$13,258.32	\$16,423.22	\$0

\*\* 100% of this amount has been paid on account of respective monthly fee statements before the hearing on the Interim Fee Application.

**EXHIBIT C-1**

**SUMMARY OF HOURS BILLED BY ATTORNEY AND PARAPROFESSIONALS  
FOR THE PERIOD JULY 1, 2001 THROUGH DECEMBER 31, 2002**

	<b>YEAR ADMITTED</b>	<b>RATE PER HOUR</b>	<b>NUMBER OF HOURS</b>	<b>TOTAL INVESTMENT</b>
David M. Friedman Partner	1982	\$595 \$675	229.50 114.00	\$213,502.50
Richard F. Casher Partner	Admitted Connecticut 1976	\$500 \$590	16650 6.00	\$86,790.00
David S. Rosner Partner	1990	\$590	14.80	\$8,732.00
Adam L. Shiff Partner	1993	\$425	5.50	\$2,337.50
Michael C. Harwood Partner	1983	\$475 \$575	10.00 .40	\$4,980.00
Michael Rosenbloom (Of counsel)	1987	\$400	10.30	\$4,120.00
Robert M. Novick Associate	1994	\$330	.50	\$165.00
Andrew K. Glenn Associate	1995	\$315 \$450	390.50 277.90	\$248,062.50
Alan S. Lungen Associate	1999	\$275	70.50	\$19,387.50
Lisa G. Laukitis Associate	2000	\$185 \$285	359.70 105.80	\$96,697.50

Michelle L. Fivel Associate	2001	\$245	9.30	\$2,278.50
Amy E. Edgy Associate	2001	\$185	9.30	\$1,720.50
Jorge Diaz Staff Attorney	2000	\$175	25.70	\$4,497.50
Fermin Figueroa Managing Clerk	N/A	\$125 \$150	42.50 59.30	\$14,207.50
Craig S. Hueneke Paralegal	N/A	\$105 \$150	52.20 8.20	\$6,711.00
Paul Keith Assistant Clerk	N/A	\$100 \$125	1.00 37.70	\$4,812.50
Evelyn Rodriguez Paralegal	N/A	\$105 \$125	138.80 102.20	\$27,349.50
Lana Rafael Paralegal	N/A	\$95	13.00	\$1,263.50
Orlando Salcedo Associate Clerk	N/A	\$90 \$105	.80 1.00	\$177.00
Jerome Brown Paralegal	N/A	\$85	74.00	\$6,290.00
Renato O. Basanta Paralegal	N/A	\$85	2.00	\$170.00
Kathleen Lockhart Paralegal	N/A	\$85 \$105	2.10 6.20	\$829.50

David J. Goodson Paralegal	N/A	\$85 \$100	2.30 16.10	\$1,805.50
		<b>TOTALS:</b>	<b>2,365.90</b>	<b>\$756,886.50</b>

**EXHIBIT D**  
**SUMMARY OF DISBURSEMENTS**  
**OF THE PERIOD JULY 1, 2001 THROUGH DECEMBER 31, 2002**

	<u>Period</u> <u>Total</u>
Official Records Search	\$82.67
Filing Fees	\$60.00
Court Costs	\$105.00
Transcripts	\$6,231.25
Travel Expenses	\$2,378.27
Local Transportation	\$1,738.80
Business Meals	\$2,744.33
Other Disbursements	\$150.00
Automated Research	\$49,290.44
Secretarial/Word Processing Overtime	\$100.00
Document Reproduction	\$18,316.03
Document Delivery	\$1,231.56
Telephone	\$10,477.35
Facsimile Transmission	\$23.21
Mailing Charges	\$536.11
<b>TOTAL</b>	<b>\$93,465.02</b>

**EXHIBIT E**  
**SUMMARY OF LEGAL FEES AND EXPENSES FOR THE PERIOD**  
**JULY 1, 2002 to DECEMBER 31, 2002**

<u>Matter</u>	<u>Period Fees</u>	<u>Period Expenses</u>
Asset Analysis and Recovery	\$2,598.50	
Asset Disposition	\$2,604.00	
Case Administration	\$74,886.50	
Claims Analysis	\$405.00	
Creditor Communications	\$22,724.50	
DIP Financing	\$3,291.50	
Fee Applications	\$11,453.50	
Plan/Disclosure Statement/Confirmation	\$273,148.00	
Relief from Stay	\$2,300.00	
Discovery and Investigation	\$363,475.00	
Expenses		\$93,465.02
<b>Totals</b>	<b>\$756,886.50</b>	<b>\$93,465.02</b>

**EXHIBIT F**  
**KASOWITZ, BENSON, TORRES & FRIEDMAN L.L.P.**  
**INTERNAL TIME REPORTS**

DUE TO THIS EXHIBIT'S VOLUMINOUS SIZE, IT HAS BEEN EXTRACTED FROM  
THE ELECTRONIC FILING FORMAT.

IF YOU WISH TO VIEW THIS EXHIBIT PLEASE CONTACT  
ANDREW K. GLENN, ESQ. AT 212-506-1747