

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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**In re** : **Chapter 11 Case No.**  
: **IWO HOLDINGS, INC., et al.** : **05-10009 (PJW)**  
: **Debtors** : **Jointly Administered**  
: **Jointly Administered**  
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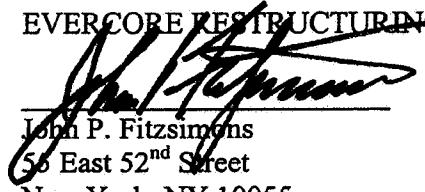
**FIRST AND FINAL APPLICATION OF EVERCORE RESTRUCTURING L.P.,  
FINANCIAL ADVISOR FOR THE DEBTORS, FOR ALLOWANCE OF  
COMPENSATION FOR SERVICES RENDERED AND FOR REIMBURSEMENT OF  
EXPENSES FROM JANUARY 4, 2005 THROUGH FEBRUARY 10, 2005**

Name of Applicant:	Evercore Restructuring L.P.
Authorized to Provide Professional Services to:	IWO Holdings, Inc. and the other above captioned debtors and debtors in possession
Date of Retention:	January 4, 2005, pursuant to an order dated January 28, 2005
Period for Which Compensation and Reimbursement is Sought:	January 4, 2005 through February 10, 2005
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$135,000
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$23,432.40
Amount of Cash Payment Sought:	\$58,432.40

This is a: \_\_\_ monthly \_\_\_ interim X final application.

Date Signed: March 10, 2005

EVERCORE RESTRUCTURING L.P.



John P. Fitzsimons  
56 East 52<sup>nd</sup> Street  
New York, NY 10055  
(212) 857-3100  
Financial Advisor to the Debtors

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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IWO HOLDINGS, INC., et al. : 05-10009 (PJW)  
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Debtors : Jointly Administered  
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TO THE HONORABLE PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE:

Evercore Restructuring L.P. ("Evercore"), financial advisor for IWO Holdings, Inc. and certain of its subsidiaries and affiliates (collectively, the "Company"), as debtors and debtors in possession in the above-captioned Chapter 11 cases (collectively, the "Debtors"), respectfully submits this final application for allowance of compensation for services rendered and for reimbursement of expenses from January 4, 2005 through February 10, 2005 (this "Application"), pursuant to sections 330 and 331 of Title 11 of the United States Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Chapter 11 Professionals, entered by this Court on January 27, 2005 (the "Fee Order"), and the Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code Authorizing Employment of Evercore Restructuring L.P. as Financial Advisor for the Debtors, entered by this Court on January 28, 2005 (the "Retention Order"), a copy of which is attached hereto as Exhibit 1. By this Application, Evercore seeks entry of an order (a) approving (i)

Monthly Fees (as hereinafter defined) totaling \$135,000 as compensation for professional services rendered from the period beginning January 4, 2005 through February 10, 2005 (the "Compensation Period"), and (ii) reimbursement of expenses incurred during the Compensation Period in connection with such services in the amount of \$23,432.40 (including \$20,000 in the reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application) (the amounts referred to in clauses (a)(i) and (ii), the "Evercore Fees") and (b) authorizing and directing the Debtors to immediately pay to Evercore the amounts listed in (a)(i) and (ii) above in respect of which the Debtors have not made payment to Evercore, and in support thereof, respectfully represents as follows:

#### BACKGROUND

1. On January 4, 2005 (the "Petition Date"), the Debtors filed voluntary petitions for relief under Bankruptcy Code. The Debtors continue to operate their respective businesses and manage their properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (O) and is brought by motion pursuant to Bankruptcy Code sections 328(a) and 331 and Bankruptcy Rule 2016. This Court has subject matter jurisdiction of this core proceeding pursuant to 28 U.S.C. § 1334(b). Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

### EVERCORE'S RETENTION

3. Pursuant to the Retention Order, Evercore was retained pursuant to sections 327 (a) and 328(a) of the Bankruptcy Code, effective January 4, 2005, to provide financial advisory services to the Debtors as per the terms of that certain letter agreement, dated as of January 27, 2003, between Evercore and the Company (the "Engagement Letter"). A copy of the Engagement Letter is attached hereto as Exhibit 2.

4. According to the terms of the Engagement Letter, Evercore is entitled to receive, subject to this Court's approval: (i) a monthly fee of \$100,000 (the "Monthly Fee") and (ii) reimbursement of necessary and reasonable fees and expenses incurred by Evercore pursuant to its engagement thereunder (including the reasonable fees and expenses of Evercore's counsel in connection with Evercore's retention and compensation).<sup>1</sup> See Exhibit 2 at pp. 3-4.

### SCOPE OF EVERCORE'S RETENTION

5. Evercore was retained pursuant to the Engagement Letter and the Retention Order to advise the Debtors. Specifically, Evercore was retained to provide such financial advisory services as Evercore and the Debtors shall deem appropriate and feasible in order to advise the Debtors in the course of their prepetition restructuring and these Chapter 11 cases, including, but not limited to, the following (capitalized terms not defined herein as defined in the Engagement Letter):

- a. Assisting in the evaluation of IWO's businesses and prospects;

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<sup>1</sup> The Engagement Letter provides for additional compensation that either (i) has been earned by Evercore and paid to Evercore prior to the Petition Date, or (ii) that was not expected to be paid (and has not been paid) by the Debtors over the course of these Chapter 11 cases. Accordingly, Evercore did not seek to be retained for the purpose of earning such additional compensation, and is not requesting the allowance and payment of such additional compensation pursuant to this Application.

- b. Assisting in the development of the long-term business plans of IWO and related financial projections;
- c. Assisting in the development of financial data and presentations to IWO's Board of Directors, various creditors and other third parties;
- d. Analyzing the financial liquidity of IWO and evaluate alternatives to improve such liquidity;
- e. Analyzing various restructuring scenarios and the potential impact of these scenarios on the value of IWO and the recoveries of the stakeholders impacted by any Restructuring;
- f. Providing strategic advice with regard to restructuring or refinancing the Obligations;
- g. Evaluating IWO's debt capacity and alternative capital structures;
- h. Participating in negotiations among IWO and its respective creditors, suppliers (including without limitation Sprint Corp.), lessors and other interested parties;
- i. Advising IWO and negotiate with IWO's bank lenders with respect to potential waivers or amendments of various credit facilities;
- j. Assisting in arranging debtor-in-possession ("DIP") financing for IWO, as requested;
- k. Providing expert witness testimony upon reasonable notice in the Debtors' Chapter 11 Cases, subject to being retained by the Debtors as contemplated herein;
- l. Assisting in the confirmation process; and
- m. Providing such other advisory services as are customarily provided in connection with the analysis and negotiation of a Restructuring, as requested and mutually agreed.

#### SUMMARY OF SERVICES RENDERED

6. A task by task summary of Evercore's financial advisory efforts during the Compensation Period is provided below:

January 4, 2005 – January 31, 2005

- Reviewed and analyzed the Debtors' businesses and prospects, performed financial modeling and sensitivity analyses of business plans and related financial projections, performed numerous analyses of the Debtors' cash balances (54.8 hours);
- Assisted the Debtors in preparing for confirmation and consummation of the Debtors' plan of reorganization, prepared flow-of-funds charts and sources and uses memoranda, assisted in the contemplated merger of IWO Escrow Company into reorganized IWO Holdings and the issuance by IWO Escrow Company of the New Notes pursuant to the plan, performed analysis of bank payoff amounts (40 hours);
- Assisted IWO management in preparation for emergence from Chapter 11, assisted new management transition away from USU in anticipation of emergence in February 2005 as a standalone company; assisted in new management's due diligence, obtaining information from USU, assessing the accuracy of the information received, etc., conducted discussions with Sprint regarding true-up payments (24 hours);
- During this month, 4 professionals recorded an aggregate total of 118.8 hours in service to Evercore's client, the Debtors.

February 1, 2005 – February 10, 2005

- Performed financial modeling and sensitivity analyses of business plans and related financial projections (2.8 hours);
- Assisted the Debtors in preparing for confirmation and consummation of the Debtors' plan of reorganization, prepared flow-of-funds charts and sources and uses memoranda, assisted in the contemplated merger of IWO Escrow Company into reorganized IWO Holdings and the issuance by IWO Escrow Company of the New Notes pursuant to the plan (29.3 hours);
- Assisted IWO management in preparation for emergence from Chapter 11, assisted new management transition away from USU in anticipation of emergence as a standalone company; assisted in new management's due diligence, obtaining information from USU, assessing the accuracy of the information received, etc., attended confirmation hearing (14 hours);
- During this month, 3 professionals recorded an aggregate total of 46.1 hours in service to Evercore's client, the Debtors.

7. In addition to the tasks described above that Evercore performed during the Compensation Period, Evercore has played a critical role in the Debtors' restructuring efforts since January 2003, when Evercore was initially engaged as the Debtors' financial advisor.<sup>2</sup> By Evercore's conservative estimate, an average of five Evercore professionals (on a monthly basis) devoted in excess of 9,000 hours to this engagement over the course of the Prepetition Period. During this time, Evercore performed numerous financial analyses and built many financial models for the Company, negotiated with the Company's creditors and with Sprint, analyzed the Company's liquidity, provided regular updates to the Company's management and creditors, negotiated with the Company's managers and USU, analyzed various restructuring and refinancing alternatives, assisted the Company in raising high-yield financing, prepared documentation relating to such high-yield financing, assisted the Company in preparing for its Chapter 11 filing, conducted a multitude of internal conference calls and meetings with the Company's management and counsel regarding the foregoing issues, and assisted the Company's chief restructuring officer throughout the restructuring process.

8. Evercore's efforts in assisting the Debtors in their restructuring culminated with the solicitation of votes on the Debtors' plan of reorganization in December 2004. The restructuring embodied in the plan was itself the culmination of several months' of negotiations among the Debtors, a steering committee of the Debtors' senior lenders, an informal committee of the holders of a majority of the Debtors' senior notes and Sprint. As this Court is aware, the plan was overwhelmingly accepted by the classes of claims entitled to vote. Evercore played an

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<sup>2</sup> See ¶ 3, *supra*. The period from January 2003 through the Petition Date is hereinafter referred to as the "Prepetition Period."



instrumental role in advising the Debtors throughout the process of negotiating and documenting this settlement and the resulting plan.

PRIOR FEE AWARDS

9. During the Compensation Period, Evercore has submitted monthly statements to the appropriate notice parties (as described in the Fee Order), as follows:

<u>Period</u>	<u>Fees</u>	<u>Expenses</u>
1/4/05 – 1/31/05	\$100,000	\$2,323.27
2/1/05 – 2/10/05	\$35,000 <sup>3</sup>	\$1,109.13
<b>Total</b>	<b>\$135,000</b>	<b>\$3,432.40</b>

As of the date of this Application, Evercore has received payments from the Debtors totaling \$100,000 in respect of the Monthly Fees. Evercore has not received payment in respect of any portion of the expenses Evercore has invoiced on its monthly statements during the Compensation Period.<sup>4</sup> Accordingly, Evercore seeks allowance of interim compensation for professional services rendered to the Debtors during the Compensation Period in the aggregate amount of \$135,000, and for reimbursement of expenses incurred and recorded in connection with the rendition of such services in the aggregate amount of \$23,432.40 (including \$20,000 in the reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's

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<sup>3</sup> This amount represents a pro rated Monthly Fee for the month of February 2005, calculated as follows. The Monthly Fee is equal to \$100,000. Since February 2005 had 28 days, and Evercore's engagement was effective from February 1<sup>st</sup> through February 10<sup>th</sup>, a pro rata portion of \$100,000 for this period (10 out of 28 days) equals \$35,714. Evercore billed the Debtors a flat \$35,000 for this partial month.

<sup>4</sup> Evercore received payment of the \$100,000 Monthly Fee for the month of January 2005 prior to the Petition Date. As set forth in the *Affidavit of John P. Fitzsimons in Support of the Debtors' Application for Entry of an Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code for Authorization to Retain and Employ Evercore Restructuring L.P. as Financial Advisor for the Debtors* (Docket no. 62), Evercore has applied the full amount of this payment to the post-petition period (January 4, 2005 – January 31, 2005).

retention by the Debtors in these cases and the preparation and prosecution of this Application), and respectfully requests that the Court authorize and direct the Debtors to presently pay to Evercore the portion of the foregoing amounts in respect of which the Debtors have not yet made payment to Evercore.

#### RELIEF REQUESTED

10. As detailed below, this Court should approve payment of the Evercore Fees and reimbursement of the expenses to Evercore because the Evercore Fees are necessary and reasonable, and the services provided by Evercore to the Debtors were beneficial to the Debtors' estates and the expenses were necessary and reasonable in furtherance thereof.

11. Accordingly, Evercore respectfully requests the allowance of its Monthly Fees in the amount of \$135,000 and expenses of \$23,432.40 (including \$20,000 in the reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application) billed during the Compensation Period.

12. The Engagement Letter provides for Evercore to be reimbursed for its reasonable and necessary out-of-pocket expenses "including, but not limited to . . . reasonable fees and expenses of Evercore's counsel in connection with Evercore's retention and compensation . . ." Exhibit 2 at p.4. Evercore presently estimates that the reasonable fees and expenses of its counsel, Simpson Thacher & Bartlett LLP, incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application will be approximately \$20,000. Evercore will provide a further estimate of the fees and expenses of its counsel at the hearing on the Application. Evercore will provide the Debtors with a final invoice for the fees and expenses of its counsel incurred in connection with

Evercore's retention by the Debtors in these cases and the preparation and prosecution of the Application within 15 business days after the hearing on the Application, and will reconcile any difference between the final invoice amount and the fee estimate.

13. As of the date hereof, Evercore has received \$100,000 in respect of the Monthly Fees. Evercore has not received payment in respect of any portion of the expenses billed during the Compensation Period.

14. Evercore respectfully requests that the Court authorize and direct the Debtors to presently remit to Evercore payment in respect of the \$35,000 in Monthly Fees and the \$23,432.40 of expenses (including \$20,000 of reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application) billed during the Compensation Period that it has not paid as of the date hereof.

#### POINTS AND AUTHORITIES

15. The Retention Order provides for Evercore to be compensated for the Evercore Fees in accordance with section 328 of the Bankruptcy Code; provided that the United States Trustee retained all rights to object to Evercore's fees and expenses on all grounds, including but not limited to, the reasonableness standard provided for in section 330 of the Bankruptcy Code. *See* Exhibit 1 at pp. 2-3.

16. Evercore respectfully submits that not only are the Evercore Fees not "improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions", 11 U.S.C. § 328(a), but that the approval and allowance of the Evercore Fees is well justified under the standard of reasonableness articulated in section 330 of the Bankruptcy Code as well.

**I. The Evercore Fees Are Reasonable and the Requirements of Section 330(a) Are Satisfied**

17. Section 330(a) of the Bankruptcy Code provides that, after notice and a hearing, the Bankruptcy Court may award to a professional person retained pursuant to section 327 of the Bankruptcy Code “reasonable compensation for actual and necessary expenses.” 11 U.S.C. § 330(a)(1). Section 330(a)(3) provides:

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 service;
- (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 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.

11 U.S.C. § 330(a).

18. Evercore believes that Evercore Fees are reasonable considering the factors enumerated above, as follows:

19. The Time and Labor Required: Evercore’s services have been rendered in a timely and efficient manner. Evercore has made numerous visits to the Debtors’ headquarters in Lake Charles, Louisiana, has attended many due diligence sessions, and has conducted numerous meetings with the Debtors, the ad hoc committee of holders of the Debtors’ senior notes, prospective investors, prospective lenders, suppliers, lessors and other parties in interest.

The Debtors' businesses are extremely complex, and Evercore has expended a great deal of time and effort to familiarize itself with the Debtors' businesses and position itself to effectively advise the Debtors. Evercore has expended significant time performing the tasks discussed in "Summary of Services Rendered" in Louisiana and New York. Over the course of the Prepetition Period and the Compensation Period, Evercore professionals spent in excess of 9,000 hours in service to its client, the Debtors. As detailed above, Evercore was instrumental in facilitating the agreement and settlements that formed the predicate for the Debtors' now confirmed and consummated pre-packaged plan of reorganization.

20. The consummation of the Debtors' plan, which was based on the prepetition restructuring settlement that Evercore helped facilitate (and which triggered Evercore's entitlement to the \$1.75 million restructuring fee that was paid to Evercore prior to the Petition Date, in accordance with the terms of the Engagement Letter), was the culmination of over 9,000 hours of time devoted by Evercore professionals to its representation of the Debtors. Evercore is not seeking compensation for work performed prior to the Petition Date. However, when considering the benefit provided to the Debtors' estate by Evercore's services, Evercore submits that its efforts during the Prepetition Period – which were instrumental to the Debtors' restructuring and extraordinarily swift emergence from chapter 11 – should be considered by the Court in assessing the reasonableness of Evercore's compensation under section 330 of the Bankruptcy Code.

21. The Rates Charged: The fees that are being charged for Evercore's services are reasonable and competitive with fees charged by other financial professionals of similar skill and experience. The amount of the fee and its structure is consistent with "market" terms offered by other advisors in cases similar to the Debtors'. The fee amount and structure is

also similar to other engagements by Evercore. In addition, Evercore was selected by the Debtors after a competitive review that included price quotes and the negotiation by the Debtors of fees. Finally, the amount for which Evercore is applying is reasonable in terms of awards in similar cases.

22. Evercore typically charges its restructuring clients in the same manner, using similar monthly amounts as it did in these cases. In particular, Evercore and other leading financial advisors typically do not bill their clients on an hourly basis. When Evercore provides postpetition financial advisory services to debtors, it customarily charges a monthly advisory fee plus a restructuring fee (and frequently a separate transaction fee or financing fee), which is the fee structure governing Evercore's retention here.

23. Evercore Facilitated the Smooth Resolution of These Cases: The experience, reputation and ability of the professionals at Evercore have contributed to the smooth administration of the proceeding. Mr. Lee and their colleagues enjoy an excellent reputation within the restructuring, turnaround and bankruptcy community as experts in the practice areas necessary to the effective administration of this proceeding. Their experience and expertise are critical factors in Evercore's effective representation of the Debtors in this proceeding.

24. The Novelty and Difficulty of the Services Rendered: As mentioned above, the Debtors' businesses are extremely complex. The Debtors own the exclusive right to provide mobile digital wireless personal communications services ("PCS") under the Sprint PCS® and Sprint® brand names in a territory that includes a total population of approximately 6.3 million, and the Debtors are responsible for building, operating, and managing the portion of the Sprint PCS nationwide network located in its territory. The Debtors employ over approximately 190 people.

25. The professionals at Evercore have been required to utilize a sophisticated degree of skill in bankruptcy, corporate and securities matters, finance and securities analysis, valuation methodologies, as well as negotiating skills in conjunction with performing services in these cases. Evercore has drawn upon the judgment and experience of its financial restructuring advisory, corporate finance and research professionals to perform services on behalf of the Debtors. The Evercore professionals primarily assigned to these cases have a combined fifty years of experience in finance. Eugene Lee, one of the senior Evercore professionals assigned to this engagement, is a Managing Director and Partner of Evercore's Restructuring Group. Mr. Lee has over fifteen years experience in finance and advisory work. Mr. Lee received an AB, *cum laude*, in Economics from Harvard University and he received a MBA from MIT's Sloan School of Management. Craig T. Moore, another one of the senior Evercore professionals assigned to this engagement, is a Managing Director and Partner of Evercore's Restructuring Group. Mr. Moore has over twenty-five years experience in finance, primarily in the fields of banking and restructuring advisory work. Mr. Moore received a BA in Economics from Kalamazoo College and a MA and PhD in Economics from Syracuse University.

26. The complexity of the services rendered by Evercore is underscored by the significant commitments of time the Evercore professionals devoted to these cases during the Prepetition Period and the Compensation Period in their role as financial advisor to the Debtors. The amount of the fees sought in this Application and Evercore's billing processes are consistent with market practices for restructuring advisory services. Evercore does not bill its clients based on the number of hours expended by its professionals. Accordingly, Evercore does not have hourly rates for its professionals, and Evercore's professionals generally do not maintain detailed time records of the work performed for its clients. In this case, however, Evercore has kept

detailed time records in 1/10<sup>th</sup> hour increments for the time expended by Evercore professionals in providing financial advisory services to the Debtors from January 4, 2005 through February 10, 2005.

27. Summarized below is the table of estimated hours by professional on a monthly basis<sup>5</sup>:

<b>Professional</b>	<b>1/4/05 – 1/31/05</b>	<b>2/1/05 – 2/10/05</b>
Moore	2.0	--
Lee	37.7	20.5
Brin	61.1	20.6
Byun	18.0	5.0
<b>Total</b>	<b>118.8</b>	<b>46.1</b>

28. Awards in Similar Cases: The Evercore Fees are commensurate with the fees charged by financial advisory professionals outside the context of Chapter 11.

## II. Evercore's Expenses Are Actual and Necessary and the Requirements of Section 330(a) Are Satisfied

29. In addition to the \$20,000 sought as reimbursement for legal expenses in connection with Evercore's retention by the Debtors in these cases and the preparation of this Application, as discussed above, Evercore requests allowance of its out-of-pocket expenses incurred in connection with its performance of services for the Debtors during the Compensation Period in the aggregate amount of \$3,432.40, as provided in the Engagement Letter. Details of the out-of-pocket expenses incurred during the Compensation Period are provided in monthly invoices which are attached hereto as Exhibit 3, and a chart setting forth the categories of such out-of-pocket expenses is attached hereto as Exhibit 4.

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<sup>5</sup> The monthly invoices that Evercore prepared and delivered to the Debtors and the applicable notice parties pursuant to the terms of the Fee Order contained detailed time records setting forth the number of hours (in 1/10<sup>th</sup> hour increments) spent by each Evercore professional on this assignment broken down by task on a daily basis. True and correct copies of the monthly invoices delivered to the Debtor are attached hereto as Exhibit 3.



30. Out-of-pocket expenses incurred by Evercore are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such particular client. Evercore does not factor general overhead expenses into disbursements charged to its clients in connection with Chapter 11 cases. Evercore has followed its general internal policies with respect to out-of-pocket expenses billed to the Debtors as set forth below:

(a) Evercore generally permits its employees to bill meals to a client if the employee is required to provide services to the client during such mealtime. Evercore employees generally are permitted to order meals in the office if the employee is required to work after 7:30 p.m. Individual meal expenses have generally been capped at \$25.00 per person.

(b) Messengers and couriers are used by Evercore to deliver hard copy documents relating to the client matter that require receipt on an expedited basis; otherwise, Evercore uses the regular postal system. Any charges for messengers and couriers are billed to a client at cost.

(c) All airfare charges billed to the Debtors are based on coach rates.

(d) With respect to local travel, Evercore generally allows employees to travel by private car service, taxi or subway to and from meetings while rendering services to a client on a client related matter, for which the client is charged. Further, Evercore employees are permitted to charge commuting expenses to a client as long as the employee is traveling after 7:30 p.m., primarily due to safety reasons.

(e) Evercore bills its clients for time spent by its support staff providing desktop publishing services. The desktop publishing system allocates time to a client based upon the operator's log-in by a client-matter number. Evercore clients are charged at the personnel

cost of \$90 per hour for the actual amount of time spent by the operator while rendering desktop publishing services to the client.

- (f) Evercore bills photocopying charges at a rate of \$.08 per page.

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WHEREFORE, Evercore respectfully requests that this Court enter an Order, substantially in the form of the Order attached hereto as Exhibit 5:

- (a) Approving the allowance and payment of the Monthly Fees in the amount of \$135,000 for the Compensation Period;
- (b) Approving the allowance and payment of Evercore's expenses in the amount of \$3,432.40 for the Compensation Period;
- (c) Approving the allowance and payment of the approximately \$20,000 in reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application;
- (d) Authorizing and directing the Debtors to promptly pay to Evercore the \$35,000 of Evercore Fees and \$23,432.40 of expenses (including \$20,000 in reasonable fees and expenses of Evercore's counsel incurred in connection with Evercore's retention by the Debtors in these cases and the preparation and prosecution of this Application) in respect of which the Debtors have not yet made payment to Evercore; and
- (e) Granting such other and further relief as this Court deems just and proper.

Dated: New York, New York  
March 10, 2005

EVERCORE RESTRUCTURING L.P.

By: 

John P. Fitzsimons  
55 East 52<sup>nd</sup> Street  
New York, NY 10055  
(212) 857-3100

Financial Advisor to the Debtors