

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re :
 : **Chapter 11 Case No.**
WORLDCOM, INC., et al., : **02-13533 (AJG)**
 :
 : **(Jointly Administered)**
Debtors. :
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**ORDER PURSUANT TO SECTIONS 105(a), 327, 328 AND 330 OF THE
BANKRUPTCY CODE AUTHORIZING THE DEBTORS TO EMPLOY
PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF BUSINESS**

Upon the Motion dated July 21, 2002 (the "Motion") of WorldCom, Inc. and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), pursuant to sections 105(a), 327, 328 and 330 of title 11 of the United States Code (the "Bankruptcy Code"), for authorization to employ professionals utilized in the ordinary course of business, all as more fully set forth in the Motion; and upon consideration of the supporting Affidavit of Susan Mayer Pursuant to Local Bankruptcy Rule 1007-2, sworn to on the 21st day of July, 2002; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors

and their estates and creditors; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the “Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted, as modified; and it is further

ORDERED that, unless otherwise ordered by the Court, each Ordinary Course Professional listed on Exhibit A annexed hereto, within fifteen (15) days of the later of the entry of this order, or the engagement of such professional by the Debtors, if it has not done so already, will serve upon the U.S. Trustee and the Debtors and file with the Court (i) an affidavit certifying that such professional does not represent or hold any interest adverse to the Debtors or to the estates with respect to the matter on which such professional is to be employed substantially in the form annexed hereto as Exhibit B and (ii) a completed retention questionnaire substantially in the form annexed hereto as Exhibit C, which form is hereby approved (the “Retention Documents”); and it is further

ORDERED that pursuant to sections 105(a), 327, 328, and 330 of the Bankruptcy Code, to the extent deemed necessary or appropriate by the Debtors, the Debtors are authorized to employ each Ordinary Course Professional listed on Exhibit A annexed hereto that has filed Retention Documents on or before August 30, 2002 in the ordinary course of their businesses, effective as of the date of the commencement of the Debtors’ chapter 11 cases; provided, however, that the employment of (i) Adams and Reese LLP, (ii) Brunini, Grantham, Grower & Hewes, PLLC, (iii) Hogan & Hartson,

LLP, (iv) Gibbons, Del Deo, Doland, Griffinger & Veccioone, P.C., (v) Reed Smith, LLP, (vi) Jenkins & Gilchrist, and (vii) Hall, Estill, Hardwick, Gable, Golden & Nelson, P.C. will continue to be pursuant to the July 22, 2002 Interim Order Pursuant to Sections 105(a), 327, 328 and 330 of the Bankruptcy Code Authorizing the Debtors to Employ Professionals Utilized in the Ordinary Course of Business; and it is further

ORDERED that pursuant to sections 105(a), 327, 328, and 330 of the Bankruptcy Code, to the extent deemed necessary or appropriate by the Debtors, the Debtors are authorized to employ the ordinary course of their businesses, effective as of the date of the commencement of the Debtors' chapter 11 cases, each Ordinary Course Professional listed on Exhibit A annexed hereto that has not filed Retention Documents on or before August 30, 2002; provided, however, that such Ordinary Course Professional files Retention Documents and no objection to the retention of such Ordinary Course Professional is filed within fifteen (15) days after the filing of the Retention Documents; and it is further

ORDERED that the Debtors are authorized to supplement the list of Ordinary Course Professionals from time to time as the need arises, by filing a notice with the Court listing the additional Ordinary Course Professionals that the Debtors intend to employ (the "Ordinary Course Professional Notice") and to serve the notice on (i) the U.S. Trustee; (ii) the attorneys for the Debtors' prepetition lenders; (iii) the attorneys for the Debtors' postpetition lenders; (v) the attorneys for any statutory committees appointed in these cases; and (vi) all other parties that have filed a notice of appearance in these chapter 11 cases. Each Ordinary Course Professional is then required, within fifteen (15) days, to file the Retention Documents with the Court and to

serve them upon the U.S. Trustee and the Debtors. If no objections to the retention of any Ordinary Course Professional are filed within fifteen (15) days after the filing of the Retention Documents, then the retention of such Ordinary Course Professional shall be deemed approved by this Court pursuant to sections 327 and 328 of the Bankruptcy Code; and it is further

ORDERED that if there is an objection to the retention of any Ordinary Course Professional, then the objecting party shall schedule a hearing on the retention of such Ordinary Course Professional pursuant to the July 29, 2002 Case Management Order (i) Establishing, Among Other Things, Notice Procedures (Including by Electronic Means), Omnibus Hearing Dates, and Alternative Methods of Participation at Hearings and (ii) Authorizing WorldCom, Inc., Et Al., To Establish an Independent Website; and it is further

ORDERED that, unless otherwise ordered by the Court, the Debtors are authorized and empowered to pay compensation and reimburse expenses to each of the Ordinary Course Professionals retained pursuant to this Order in the customary manner in the full amount billed by each Ordinary Course Professional upon receipt of reasonably detailed invoices indicating the nature of the services rendered and calculated in accordance with such professional's standard billing practices, up to the lessor of: (a) \$100,000 per month per Ordinary Course Professional; or (b) \$2,000,000 per month, in the aggregate, for all Ordinary Course Professionals (the "Ordinary Course Professional Fee Cap"); and it is further

ORDERED that the Debtors' right to dispute any invoices shall not be affected or prejudiced in any manner by the foregoing decretal paragraph; and it is further

ORDERED that, unless otherwise ordered by the Court, in the event that an Ordinary Course Professional's fees and disbursement exceed \$100,000 per month or upon an Ordinary Course Professional's receipt of fees and disbursements in excess of \$500,000 in the aggregate in the Debtors' chapter 11 cases, such professional will be required to file a fee application for the full amount of their fees and disbursements in accordance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and any and all orders of the Court and Fee Guidelines promulgated by the United States Trustee; and it is further

ORDERED that this Order shall not apply to any professional retained by the Debtors pursuant to a separate order of the Court; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that the requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a memorandum of law is waived.

Dated: New York, New York
September 4, 2002

s/Arthur J. Gonzalez
THE HONORABLE ARTHUR J. GONZALEZ
UNITED STATES BANKRUPTCY JUDGE