

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re : Chapter 11  
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LOEWEN GROUP INTERNATIONAL, : Case No. 99-1244 (PJW)  
INC., a Delaware corporation, :  
et al., : (Jointly Administered)  
:  
Debtors. : **Objection Deadline:**  
: **4/1/02 at 4:00 p.m. (ET)**  
-----X **Hearing Date: 5/10/02**  
: **at 2:00 p.m. (ET)**

**FINAL APPLICATION OF THELEN REID & PRIEST LLP  
AS SPECIAL COUNSEL FOR DEBTORS AND DEBTORS IN  
POSSESSION FOR ALLOWANCE OF FEES AND EXPENSES**

Name of Applicant: Thelen Reid & Priest LLP.

Authorized to Provide Professional Services to: Debtors

Date of Retention Order: June 1, 1999

Amount of Compensation for which final approval and payment (to the extent not already paid) is sought: \$176,465.88 for the period June 1, 1999 through December 31, 2001.

Amount of Expenses for which final approval and payment (to the extent not already paid) is sought: \$14,122.73 for the period June 1, 1999 through December 31, 2001.

The time expended for the preparation of this final application is not included herein.

This is a final application.

Summary of interim applications:

| Date Application Filed     | Period Covered  | Docket No. | Amount of Fees Requested | Amount of Expenses Requested | Method of Approval for Payment <sup>1</sup> | Amount of Fees Paid | Amount of Expenses Paid | Balance Due |
|----------------------------|-----------------|------------|--------------------------|------------------------------|---|---------------------|-------------------------|-------------|
| 10/26/99                   | 6/1/99-8/31/99  | 2607       | \$34,044.77              | \$4,392.79                   | Order, docket no. 2946                      | \$34,044.77         | \$4,392.79              | \$0.00      |
| 7/18/01                    | 9/2/99-12/31/00 | 7452       | \$108,647.82             | \$7,958.52                   | CNO, docket no. 7800                        | \$86,918.26         | \$7,958.52              | \$21,729.56 |
| 2/25/02                    | 1/1/01-12/31/01 | 9058       | \$33,773.29              | \$1,771.42                   | CNO <sup>2</sup>                            | \$0.00              | \$0.00                  | \$35,544.71 |
| <b>Total Final Amounts</b> |                 |            | \$176,465.88             | \$14,122.73                  |   | \$120,963.03        | \$12,351.31             | \$57,274.27 |

<sup>1</sup> The Method of Approval for Payment will be either by Order, if the Court has signed an order approving the fees and expenses, or by Certificate of No Objection ("CNO") as provided under the amended interim fee procedures whereby there is an automatic payment of 80% of the fees and 100% of the expenses upon the filing of such Certificate of No Objection.

<sup>2</sup> The objection deadline is March 18, 2002. If no objection is lodged, a CNO will be filed and Thelen Reid & Priest LLP will be paid 80% of the fees requested and 100% of the expenses requested pursuant to the amended interim fee procedures.

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**FINAL APPLICATION OF THELEN REID & PRIEST LLP  
AS SPECIAL COUNSEL FOR DEBTORS AND DEBTORS  
POSSESSION FOR ALLOWANCE OF FEES AND EXPENSES**

Thelen Reid & Priest LLP ("TR&P"), special counsel for Loewen Grup International, Inc., et al., the above-captioned debtors (collectively, the "Debtors"), hereby submits this final application (the "Application") pursuant to 11 U.S.C. § 330 for final approval of compensation and expenses for the period June 1, 1999 through December 31, 2001 (the "Application Period"). In support of the Application, TR&P respectfully represents as follows:

1. TR&P submits this Application for final allowance and payment of professional and paraprofessional compensation in the total amount of \$176,465.88 and reimbursement of expenses in the total amount of \$14,122.73.

2. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. § 1408 and 1409. This is a "core" proceeding under 28 U.S.C. § 157(b)(2). The statutory predicate for the relief sought herein is section 330 of title 11 of the United States Code (the "Bankruptcy Code").

3. By order dated June 1, 1999, TR&P was retained as special counsel to the Debtors.

4. On December 4, 2001, this Court entered the Findings Of Fact, Conclusions Of Law And Order Confirming Fourth Amended Joint Plan Of Reorganization Of Loewen Group International, Inc., Its Parent Corporation And Certain Of Their Debtor Subsidiaries, As Modified (the "Confirmation Order"), confirming the Fourth Amended Joint Plan Of Reorganization Of Loewen Group International, Inc., Its Parent Corporation And Certain Of Their Debtor Subsidiaries, As Modified (the "Plan"). Pursuant to the Plan and the Confirmation Order, the Court retained jurisdiction to consider final applications of retained professionals. These final applications had to be filed within sixty days of January 2, 2002, the Plan's effective date.

5. TR&P has filed three interim fee applications (the "Interim Applications") in this case pursuant to the interim fee procedures established by the Court. On October 26, 1999, TR&P filed its first interim fee application, covering the

period June 1, 1999 through August 31, 1999, requesting fees in the amount of \$34,044.77 and expenses in the amount of \$4,392.79 (said application is incorporated herein by reference). No objection to the foregoing interim application was lodged and on November 19, 1999 a certification of no objection was filed. Thereafter, on December 21, 1999, an order was entered approving TR&P's first interim application. In accordance with said order, TR&P was paid \$34,044.77 in fees and \$4,392.79 in expenses. This Application seeks final approval of the fees and expenses paid to TR&P with respect to its first interim application. Exhibit A hereto includes a timekeeper summary, a project category summary and a summary of expenses with respect to TR&P's first interim application.

6. On July 18, 2001, TR&P filed its second interim fee application covering the period September 2, 1999 through December 31, 2000 requesting fees in the amount of \$108,647.82 and expenses of \$7,958.52 (said application is incorporated herein by reference). No objection to this application was filed. As a result thereof, on August 24, 2001, a certification of no objection was filed. Thereafter, in accordance with the amended interim fee procedures established by the Court, TR&P was paid 80% of the fees, or \$86,918.26 in fees, and 100% of the expenses, or \$7,958.52 in expenses. This Application seeks final approval of the fees and expenses requested in TR&P's

second interim application and payment of the 20% holdback amount of \$21,729.56. Exhibit B attached hereto includes the timekeeper summary, the phase/task summary<sup>3</sup> and the summary of expenses from TR&P's second interim application.

7. On February 25, 2002, TR&P filed its third interim fee application, covering the period January 1, 2001 through December 31, 2001, seeking fees in the amount of \$35,596.49, less a credit of \$1,823.20, for a net fee request of \$33,773.29, and expenses in the amount of \$1,771.42 (said application is incorporated herein by reference. The objection deadline with respect to the foregoing third interim application is March 18, 2002. If no objection to the third interim application is lodged, a certification of no objection will be filed authorizing payment of 80% of the fees requested and 100% of the expenses sought pursuant to the amended interim fee procedures established by the Court. This Application seeks final approval of the fees and expenses sought in TR&P's third interim application and payment of any amounts not previously paid to TR&P pursuant to its third interim application and the amended interim fee procedures. Exhibit C annexed hereto

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<sup>3</sup> The timekeeper summary and phase/task summary from the second interim fee application included herein as Exhibit B inadvertently failed to include fees in the amount of \$1,311.19. However, the narrative portion of the second interim fee application included this amount and requested total fees of \$108,647.82.

includes the timekeeper summary, the phase/task summary and the summary of expenses from TR&P's third interim application.

8. The Bankruptcy Court is authorized, pursuant to Section 330 of the Bankruptcy Code, to award fees for services rendered and expenses incurred by attorneys and other professional persons representing debtors or official committees.

9. Section 330(a)(3) of the Bankruptcy Code enumerates factors to consider in reviewing the propriety of requests for fees. 11 U.S.C. § 330(a)(3). The factors are: (a) the time spent; (b) the rates charged; (c) whether the services were necessary to the administration of, or beneficial toward the completion of, the case; (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance and nature of the issue or task presented; and (e) whether compensation is reasonable based on customary fees charged by comparably skilled practitioners in cases other than bankruptcy cases.

10. As detailed in the Interim Applications described above and incorporated herein by reference, the services rendered by TR&P to the Debtors during the Application Period meet or exceed the standards set forth in section 330 of the Bankruptcy Code and applied by bankruptcy courts in this Circuit

for determining the propriety of professional fees sought from the estates.

11. Section 330(b) of the Bankruptcy Code allows the Court to reimburse TR&P for the "actual, necessary expenses" incurred in these cases. 11 U.S.C. § 330(b). As detailed in the Interim Applications described above and incorporated herein by reference, the expenses incurred by TR&P during the Application Period were actual and necessary and reasonably incurred in the performance of TR&P's representation of the Debtors.

12. Based on the foregoing TR&P respectfully submits that TR&P's request for final approval of compensation in the sum of \$176,465.88 constitutes a fair and reasonable request for the quality and nature of the services performed. TR&P further submits that its request for final approval of out-of-pocket expenses in the amount of \$14,122.73 is fair and reasonable and that such sums were necessarily expended by TR&P in the performance of its responsibilities.



WHEREFORE, for all of the foregoing reasons, pursuant to § 330 the Bankruptcy Code, TR&P respectfully requests that this Court enter an order: (a) awarding TR&P final allowance of compensation in the amount of \$176,465.88 and final reimbursement of out-of-pocket expenses in the amount \$14,122.73 for the Application Period, (b) directing payment of the foregoing sums to TR&P to the extent not previously paid pursuant to the Court's interim fee procedures and (c) granting TR&P such other and further relief as this Court deems just and proper.

Dated: February 26, 2002

THELEN REID & PRIEST LLP

By: John M. Mooney  
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Special Counsel for the  
Debtors and Debtors in  
Possession