

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

- - - - - x  
In re: : Chapter 11  
EXIDE TECHNOLOGIES, et al., : Case No. 02-11125 (KJC)  
: Jointly Administered  
Debtors. : Hrg Date: TBD (if necessary)  
: Obj. Due: 9/29/03 at 4:00 p.m.  
- - - - - x

**MONTHLY APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER &  
FLOM LLP FOR COMPENSATION FOR SERVICES RENDERED AND REIM-  
BURSEMENT OF EXPENSES AS SPECIAL LITIGATION COUNSEL TO  
THE DEBTORS FOR THE PERIOD FROM  
JUNE 1, 2003 THROUGH JUNE 30, 2003**

Name of Applicant: Skadden, Arps, Slate, Meagher & Flom LLP  
& Affiliated Law Offices

Authorized to provide professional services to: Exide  
Technologies

Date of retention: effective March 19, 2003

Period for which compensation and  
reimbursement are sought: 6/1/03 - 6/30/03

Amount of compensation sought  
as actual, reasonable, and necessary: \$ 1,599.00

Amount of expense reimbursement sought  
as actual, reasonable, and necessary: \$ 6.00

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

The Application does not request compensation at this time  
for services rendered in preparing this Application. The  
Applicant intends to seek compensation in connection with  
this Application at a later date.

**Prior Applications:**

Application	Fees Requested	80% of Fees Requested	Expenses	Amt. Paid
1 <sup>st</sup> Monthly	\$50,325.00	\$40,260.00	\$2,786.00	\$43,046.00.

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Skadden, Arps, Slate, Meagher & Flom LLP  
("Skadden, Arps" or the "Firm"), special litigation counsel  
for the above-captioned debtors and debtors-in-possession  
(collectively, the "Debtors"), submits this monthly applica-  
tion (the "Application") seeking allowance of interim  
compensation and reimbursement of expenses under 11 U.S.C.  
 §§ 330 and 331 for the period from June 1, 2003 through June  
30, 2003 (the "Application Period"). By this Application,  
Skadden, Arps seeks allowance and payment of (i) interim  
compensation in the amount of \$1,279.20, representing eighty  
percent of the \$1,599.00 in legal fees incurred by the Firm  
for services rendered during the Application Period, and

(ii) reimbursement of 100% of the actual and necessary expenses incurred during the Application Period in the amount of \$6.00, for a total of \$1,285.20. In further support of this Application, Skadden, Arps represents as follows:

#### **BACKGROUND**

1. On April 15, 2002 (the "Petition Date"), Exide Technologies and other affiliated companies (collectively the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with this Court.

2. The Debtors have been operating their businesses and managing their properties as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code.

3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

4. On May 10, 2002, the Court entered an order (the "Administrative Order") establishing interim compensation procedures for retained professionals. Pursuant to such procedures, retained professionals may request interim compensation and reimbursement of expenses by filing monthly

fee applications, and interested parties may object to such applications. If no interested party objects to a professional's request within twenty (20) days, the applicable professional may submit to the Court a certification of no objection (a "CNO"). The Debtors are authorized upon the submission of a CNO to pay such professional an amount equal to the lesser of (i) 80 percent of the fees and 100 percent of the expenses requested in the monthly fee application, or (ii) 80 percent of the fees and 100 percent of the expenses not subject to an objection. Beginning with the period ending on June 30, 2002 and at three-month intervals thereafter, or such other intervals as are convenient to the Court, each professional is required to file and serve a quarterly application for allowance of fees and reimbursement of expenses sought in the monthly fee applications for that period. Amounts paid pursuant to the monthly and quarterly fee applications are subject to the filing and approval of a final fee application of the professional.

5. The Debtors' retention of the Firm as special litigation counsel in connection with a litigation matter in the Delaware Court of Chancery (the "Chancery Court Litigation") to the Debtors was approved *nunc pro tunc* to March

19, 2003 by this Court's Order dated June 24, 2003 (the "Retention Order"). The Retention Order authorized the Firm to be compensated on an hourly basis in accordance with the terms set forth in the Application and the accompanying Declaration of Robert B. Pincus.

6. The Firm has received no other payment and no promises for payment from any source for the services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between the Firm and any other person other than the partners of the Firm for the sharing of compensation to be received for services rendered in these cases.

7. To the best of the Firm's knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") and the Administrative Order.

#### **RELIEF REQUESTED**

8. By this Application, Skadden, Arps requests approval and payment under 11 U.S.C. §§ 330 and 331 of

interim compensation and reimbursement of expenses incurred as special litigation counsel to the Debtors during the Application Period, as follows: (i) monthly interim compensation in the amount of \$1,279.20, representing eighty percent of the \$1,599.00 in legal fees incurred by the Firm for services rendered during the Application Period, and (ii) reimbursement of 100% of the actual and necessary expenses incurred during the Application Period in the amount of \$6.00, for a total of \$1,285.20.

#### **SUMMARY OF SERVICES RENDERED**

9. In rendering services to the Debtors as special litigation counsel in connection with the Chancery Court Litigation, the Firm's legal team has been composed of professionals with extensive experience in Delaware corporate governance litigation. These professionals have worked closely with the Debtors and their other professionals to maximize efficiency and avoid any duplication of effort. A chart showing the attorneys and other Firm employees who rendered services to the Debtors during the Application Period, along with their (i) position at the Firm, (ii) hourly billing rate, (iii) total hours billed, and (iv)

total value of services rendered, is included as part of the fee application cover sheet.

10. The legal services rendered by the Firm to the Debtors in connection with the Chancery Court Litigation and expenses incurred during the Application Period are more fully set forth in Exhibits A and B annexed hereto. Such exhibits include (i) the dates the services were rendered; (ii) detailed descriptions of the activity; (iii) the time billed therefor; (iv) the dollar value of the particular activity; and (v) the attorneys and other employees of the Firm who rendered the identified service.

11. Presently, the hourly rates under the Firm's general rate structure range from approximately \$215 to \$675 for attorneys and \$75 to \$195 for legal assistants and support staff. The hourly rates set forth above are subject to periodic increases in the normal course of the Firm's business. A more detailed description of the matters worked on by Firm personnel, and the time spent therefor, is included below.

12. This Application is also made without prejudice to the Firm's right to seek further interim allowances and/or a final allowance of compensation in the



future in accordance with the Retention Order and the Administrative Order.

13. Skadden, Arps has received no promise of payment for professional services rendered or to be rendered in this case other than in accordance with the provisions of the Code.

#### **DESCRIPTION OF SERVICES RENDERED**

14. It is not practical to describe every phone call made, meeting attended, document generated, or other service provided in the Debtors' cases during the Application Period. Thus, this Application highlights the most significant services performed by Skadden, Arps for the Debtors during the Application Period and the attached time records contain the detail of each task performed.

15. Skadden, Arps submits that the legal services and advice that it rendered to the Debtors in connection with their chapter 11 cases during the Application Period were necessary and beneficial to the Debtors, their creditors and their estates. During this Application Period, Skadden, Arps devoted substantial time to working on the Chancery Court Litigation.

16. The Firm was retained as special litigation counsel for the Debtors in connection with the Chancery Court Litigation. Accordingly, the Firm's services during the Application Period were devoted to working on the Chancery Court Litigation and complying with the compensation procedures established in this case.

17. The plaintiffs in the Chancery Court Litigation are stockholders of Debtor Exide Technologies ("Exide"). The Chancery Court Litigation was filed on or about April 11, 2003. On April 23, the plaintiffs served Exide with document requests, interrogatories, and requests for admissions. On May 5, Exide answered the complaint. Trial was initially scheduled for May 27, but was subsequently postponed until June 25. During the Application Period, Skadden, Arps attended to the scheduling of proceedings before the Chancery Court and began the process of preparing and submitting fee applications in accordance with the interim compensation procedures in effect in the Debtors' cases.

18. During the Application Period, attorneys and paraprofessionals of Skadden, Arps devoted a total of 5.00 hours to representation of the Debtors in the Chancery Court

Litigation. Of the aggregate time expended, no hours were spent by partners, 3.2 hours were spent by associates and 1.8 hours were spent by paraprofessionals. A schedule showing the name and position of each such partner, counsel, associate, and paraprofessional, together with that person's first date of admission to the bar (if applicable), hours worked during the Application Period, and hourly billing rate is provided at the front of this Application.

#### **ALLOWANCE OF COMPENSATION**

19. Compensation Sought. Because of the benefits realized by the Debtors, the nature of these cases, the standing at the bar of the attorneys who rendered services, the amount of work done, the time consumed, the skill required, and the contingent nature of the compensation, Skadden, Arps requests that it be allowed at this time compensation for eighty percent (80%) of the value of the professional services rendered during the Application Period for a total of \$1,279.20. Skadden, Arps reserves the right to return to this Court to request reimbursement for the remaining twenty percent (20%) of the value of professional services rendered during the Application Period, totaling \$319.80 and/or to seek any amounts for work performed or

expenses incurred during the Application Period but not yet reflected in the firm's time records or to amend the amounts listed herein to correct any bookkeeping errors. In the event that a subsequent review reveals that additional professional services have been rendered or expenses have been incurred on behalf of the Debtors during the Application Period, which were not processed by the firm's accounting system before the time of this Application, Skadden, Arps, reserves the right to seek such additional fees and expenses by subsequent application to the Court.<sup>1</sup>

20. Skadden, Arps achieved cost efficiencies by employing a streamlined case management structure relying upon a designated core group of attorneys assigned to the representation of the Debtors. This permitted the Chancery Court Litigation to be staffed with as little partner involvement as appropriate and enabled Skadden, Arps to avoid performing duplicative or unnecessary work.

21. Reimbursement of Expenses. Skadden, Arps has disbursed, and requests reimbursement for, \$6.00 which

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<sup>1</sup> Skadden, Arps further reserves the right to request additional compensation at a later date for time spent preparing this monthly fee application.

represents actual, necessary expenses incurred in the rendition of professional services in these cases.<sup>2</sup>

22. Other than between Skadden, Arps and its affiliated law practices and their members, no agreement or understanding exists between Skadden, Arps and any other person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases, nor will any be made except as permitted under section 504(b)(1) of the Bankruptcy Code.

**CERTIFICATE OF COMPLIANCE AND WAIVER**

23. Finally, the undersigned representative of Skadden, Arps certifies that he has reviewed the requirements of Del. Bankr. LR 2016-2 and that the Application substantially complies with that Local Rule. To the extent that the Application does not comply in all respects with the requirements of Del. Bankr. LR 2016-2, Skadden, Arps believes such deviations are not material and respectfully requests that any such requirement be waived.

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<sup>2</sup> In accordance with Del. Bankr. LR 2016-2, Skadden, Arps charges \$.10 per page for photocopying (less than the \$.15 cap for photocopying charges set forth therein) and has reduced its non-working travel time by at least 50%.

WHEREFORE Skadden, Arps respectfully requests approval and payment of (a) eighty percent (80%) of the monthly compensation for professional services rendered as attorneys for the Debtors in the sum of \$1,279.20 in fees incurred during this Application Period; (b) reimbursement of actual and necessary expenses incurred in the sum of \$6.00; and (c) such other and further relief as is just and proper.

Dated:       Wilmington, Delaware  
              September 9, 2003

/s/ Robert A. Weber  
Robert A. Weber (No. 4013)  
SKADDEN, ARPS, SLATE, MEAGHER  
    & FLOM LLP  
One Rodney Square  
Wilmington, Delaware 19899  
(302) 651-3000

Special Litigation Counsel for the  
Debtors and Debtors-in-Possession