IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

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In re:
INTEGRATED HEALTH SERVICES, INC., et al.
Debtors.

Chapter 11

Case No. 00-389 (MFW)

(Jointly Administered)

APPLICATION OF MCNAIR LAW FIRM, P.A. AS COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR FINAL ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM FEBRUARY 2, 2000 THROUGH JULY 31, 2001

Name of Applicant:	McNair Law Firm, P.A.	
Authorized to Provide Professional Services to:	Debtors	
Date of Retention:	February 2, 2000	
Period for which compensation and reimbursement is sought:	February 1 through July 31, 2001	
Amount of Compensation sought as actual, reasonable and necessary:	\$949,708.11	
Amount of Reimbursement sought as actual, reasonable and necessary:	\$143,701.50	
This is an: interim	_X_ final application	

The time expended for the preparation of this application is approximately 0 hours. If this is not the first application filed, disclose the following for each prior application.

	Period Covered	Requested	Requested	Approved	Approved
Date Filed		Fees	Expenses	Fees	Expenses
7/13/2000	4/1/00-5/31/00	\$177,409.00	\$35,520.61	\$177,409.00	\$35,520.61
10/25/2000	6/1/00-8/31/00	\$228,097.06	\$21,856.56	\$228,097.06	\$21,856.56
3/00/2001	9/1/00 - 1/31/01	\$300,337.25	\$53,509.21	\$300,337.25	\$53,509.41
8/00/2001	2/1/01-4/30/01	\$152,173.50	\$15,004.99	\$121,378.80	\$15,004.99
9/00/2001	5/1/01-7/31/01	\$153,107.50	\$17,809.93	\$122,486.00	\$17,809.93

McNair Law Firm, P.A. would show the Court that all of the above fee applications have been previously approved by the court and paid by the debtor. McNair Law Firm, P.A. further asserts that all fees and expenses were reasonable and necessary for administrative and regulatory work done on behalf of the debtor. McNair Law Firm, P.A. would refer the Court back to its Fee Applications filed previously as the details of the work required by the Court are detailed there. Since the filing period of the September 2001 Fee Application, McNair Law Firm, P.A. has not billed the debtor for attorneys' fees and expenses in excess of \$50,000 and therefore has filed no other fee applications.

Therefore, McNair Law Firm, P.A. asks for final approval for the fees outlined above and for such other relief to which it might be entitled.

WHEREFORE, McNair Law Firm, P.A. requests that allowances be made to it in the sum of \$949,708.11, as compensation for actual and necessary professional services rendered to the Debtors during period February 1, 2000 through July 31, 2001 and the sum of \$143,701.50 for reimbursement of actual and necessary costs and expenses incurred during that period all amounts having previously been approved and paid, and grant such other and further relief as the Court may deem just and proper.

Respectfully submitted,

McNAIR LAW FIRM, P.A. Post Office Box 11390 Columbia, SC 29211 803-799-9800 803-376-2278 (fax)

By:

Celeste T. Jonés, Fed. IP # 2225

October 24, 2003 Columbia, South Carolina

VERIFICATION

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Celeste T. Jones, after being duly sworn according to law, deposes and says:

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- 1. I am a shareholder of the applicant firm, McNair Law Firm, P.A., and have been admitted to the bar of the State of South Carolina since 1980.
- 2. I have personally performed some of the legal services rendered by McNair Law Firm, P.A. as counsel to the Debtors and am thoroughly familiar with all other work performed on behalf of the Debtors by the lawyers in the firm.
- 3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief.

Sworn to and subscribed before me this Z day of October, 2003.

My commission expires: $\frac{7}{24}\frac{300}{2000}$

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

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Chapter 11

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Case No. 00 -389 (MFW)

Debtors.

Jointly Administered

AFFIDAVIT OF SERVICE

STATE OF DELAWARE)) SS NEW CASTLE COUNTY)

Thomas Hartzell, being duly sworn according to law, deposes and says that he is employed by the law firm of Young Conaway Stargatt & Taylor, LLP, attorneys for the Debtors in the within captioned matter, and that on the 27th day of October 2003, he caused a copy of the attached pleading to be served, as indicated, on the parties on the attached service list.

Thomas-Hartzell SWORN TO AND SUBSCRIBED before me this day of October 2003. Notary Public KIMBERLY A. BECK NOTARY PUBLIC STATE OF DELAWARE

My commission expires Oct. 1, 2006

CORE GROUP SERVICE LIST Integrated Health Services, Inc. 10/27/2003

Abraham J. Backenroth, Esq. Backenroth Frankel & Krinsky LLP 489 Fifth Avenue New York, NY 10017 (Co-counsel for Briarwood) *First Class Mail*

Mark D. Collins, Esq. Richards Layton & Finger One Rodney Square P.O. Box 551 Wilmington, DE 19801 (Co-counsel for the DIP Lender) *Hand Delivery*

Dale Dube, Esq. Michael D. DeBaecke, Esq. Bonnie Glantz Fatell, Esq. Jason W. Staib, Esq. Blank Rome Comisky & McCauley, LLP Chase Manhattan Centre, Suite 800 Wilmington, DE 19801 (Co-counsel for Replacement DIP Lender;) (Blount Memorial Hospital; Sungard Data Systems) *Hand Delivery*

IHS Liquidating LLC c/o Eureka Capital Attn: Matthew Marcos 21 East 40th Street, Suite 1300 New York, NY 10016 (Liquidating Agent) *First Class Mail* Donald A. Beskrone, Esq. Staff Attorney Office of the United States Trustee 844 N. King Street, Room 2311 Wilmington, DE 19801 U.S. Trustee *Hand Delivery*

Charlene Davis, Esq. Elio Battista, Esq. Neil B. Glassman, Esq. The Bayard Firm 222 Delaware Avenue, Suite 900 P.O. Box 25130 Wilmington, DE 19899 (Counsel for LTC Healthcare Properties, Inc., et al) (;Premiere Committee of Unsecured Creditors) *Hand Delivery*

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Stephen Karotkin, Esq. Weil, Gotshal & Manges LLP 767 Fifth Avenue New York, NY 10153-8007 (Counsel for the Prepetition Lenders) *First Class Mail* Richard Mason, Esq. Wachtell, Lipton, Rosen & Katz 51 West 52 Street New York, NY 10019 (Counsel for Certain Noteholders) *First Class Mail*

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Lee Stremba, Esq. Charles P. Greenman, Esq. Jenkens & Gilchrist Parker Chapin LLP 405 Lexington Avenue, 7th Floor New York, NY 10174 (Co-counsel for the Debtors) *First Class Mail*

Joanne B. Wills, Esq. Steven K. Kortanek, Esq. Stephanie Fox, Esq. Klehr Harrison Harvey Branzburg & Ellers LLP 919 Market Street, Suite 1000 Wilmington, DE 19801 (Co-counsel for the Unsecured Creditors' Committee) *Hand Delivery* Marc D. Rosenberg, Esq. Michael J. Crames, Esq. Kaye Scholer LLP 425 Park Avenue New York, NY 10022 (Co-counsel for the Debtors) *First Class Mail*

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Co-counsel for the Unsecured Creditors' Committee *First Class Mail*

Gene B. Tarr, Esq. Blanco Tackaberry Combs & Matamoros, P.A. 110 South Stratford Road 5th Floor Winston-Salem, NC 271143 (Co-counsel for the Unsecured Creditors' Committee) (of the Premiere Associates' Debtors) *First Class Mail*