

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS

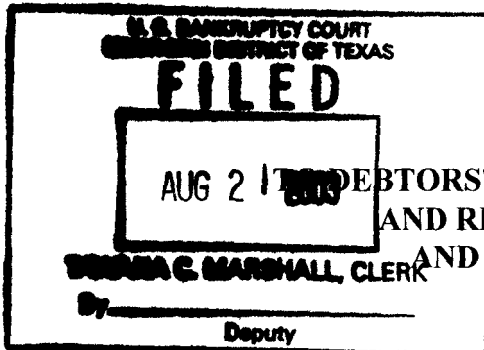
In re:

MIRANT CORP

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Chapter 11

Case No. 03-46590-DML-11



OBJECTION OF SHAREHOLDERS  
DEBTORS' APPLICATIONS AUTHORIZING EMPLOYMENT  
AND RETENTION OF THE BLACKSTONE GROUP  
AND AP SERVICES/ROBERT DANGREMOND

TO THE HONORABLE D. MICHAEL LYNN,  
UNITED STATES BANKRUPTCY JUDGE:

Comes now, Michael Sammons ("Sammons"), a significant shareholder in Mirant Corp ("Mirant"), and having been further authorized to represent the interests of other individual shareholders, objects to the Debtors' applications authorizing employment and retention of the Blackstone Group and AP Services/Robert Dangremond, and respectfully represents as follows:

- (1) The U.S. Trustee is in the process of appointing an official Shareholders Committee in this case; however, until such committee is selected the rights and interests of all shareholders of Mirant common stock are not represented by existing management or by any other party in this case.
- (2) The Debtors refused to talk with Sammons regarding the terms and reasoning behind the above referenced employment and retention agreements. Sammons had expressed a serious concern that the "success fee" agreements which promised in excess of \$12 million (*in addition* to hourly fees exceeding \$500.00 per hour) failed to provide adequate incentive for such professionals to seek alternatives which would preserve equity value for the current owners of Mirant.

In pre-filing negotiations, 80% of impaired bondholders and 60% of creditor banks approved Mirant's proposed reorganization which would have retained the current capital structure and stockholders equity of approximately \$2 billion.

Where a majority of the Debtors' creditors recognize a significant existing equity value, the Debtors' decision as to which financial advisors to retain, as well such advisors incentive to retain the current capital structure in a POR, should be of clear and paramount importance to management.


No current owner of Mirant, i.e. no shareholder, would support or approve any "success" fee, let alone *duplicate* fees totalling over \$12 million (*in addition* to hourly fees exceeding \$500.00 per hour), which does not require substantial preservation of the current capital structure.

Frankly, the agreements at issue here appear more appropriate for the Creditors Committee to propose than management, insofar as they clearly provide incentive for a favorable POR for creditors but provide little or no incentive for a POR which also preserves the current capital ownership.

### **Conclusion**


Obviously these exorbitant duplicate "success" fee agreements exceeding \$12 million, *in addition* to hourly fees exceeding \$500.00 per hour, and which provide little or no incentive to protect the rights and interests of the current owners of Mirant will be, and should be, strongly opposed by the Shareholders Committee when appointed.

Wherefore, Sammons respectfully requests that this Honorable Court continue this matter until such time as a Shareholders Committee is appointed and can file a formal objection supported by its own experts.

  
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### **Certificate of Service**

A true and exact copy of this pleading has been served, by prepaid U.S. mail, upon the United States Trustee and opposing counsel this the 20th day of August, 2003.

  
Michael Sammons