## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

IN RE:	) Chapter 11
BUILDING MATERIALS HOLI CORPORATION, et al., <sup>1</sup>	DING ) Case No. 09-12074 (KJC)
Debt	ors. ) Jointly Administered
	) Ref. Docket No. 1090

# CERTIFICATION OF COUNSEL REGARDING ORDER RESOLVING CURE CLAIM OBJECTIONS

On various dates prior to December 3, 2009, certain parties in interest, including Southwest Management, Inc. ("Southwest"), filed objections and responses (collectively, the "Cure Claim Responses") to the cure amounts asserted by the Debtors in those certain Notices of (I) Possible Assumption of Executory Contracts and Unexpired Leases, (II) Fixing of Cure Amounts In Connection Therewith, and (III) Deadline to Object Thereto (the "Cure Claim Notices"). On December 8, 2009, the Debtors filed their Omnibus Response to Cure Claim Objections and Proposed Order Resolving Cure Claim Objections [Docket No. 1090] (the "Debtors' Omnibus Cure Claim Reply").<sup>2</sup>

A hearing on the Cure Claim Notices and the Cure Claim Responses (the "Hearing") was held before this Court on December 17, 2009, and at the conclusion of the

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<sup>1</sup> The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows: Building Materials Holding Corporation (4269), BMC West Corporation (0454), SelectBuild Construction, Inc. (1340), SelectBuild Northern California, Inc. (7579), Illinois Framing, Inc. (4451), C Construction, Inc. (8206), TWF Construction, Inc. (3334), H.N.R. Framing Systems, Inc. (4329), SelectBuild Southern California, Inc. (9378), SelectBuild Nevada, Inc. (8912), SelectBuild Arizona, LLC (0036), and SelectBuild Illinois, LLC (0792). The mailing address for the Debtors is 720 Park Boulevard, Suite 200, Boise, Idaho 83712.

<sup>&</sup>lt;sup>2</sup> Thereafter, Southwest filed its Reply to Debtors' Omnibus Response to Cure Claim Objections and Proposed Order Resolving Cure Claim Objection [Docket No. 1110], and the Debtors filed their Memorandum of Law in Support of Debtors' Proposed Cure Amount with respect to Assumption of the Purchase and Sale Agreement between Certain Debtors as Buyers and Southwest Management, Inc. et al. as Sellers [Docket No. 1152].

Hearing, this Court ruled, among other things, that the Debtors have demonstrated adequate assurance of future performance under the Southwest APA<sup>3</sup> within the meaning of section 365 of the Bankruptcy Code in connection with their proposed assumption of the APA pursuant to the Plan (the "Southwest Adequate Assurance Ruling"), and directed the Debtors to submit under certification of counsel a revised form of order addressing the Southwest Adequate Assurance Ruling as well as the Cure Claim Responses.

Attached hereto as Exhibit 1 is a revised form of order (the "Revised Proposed Order") with respect to the Southwest Adequate Assurance Ruling and the Cure Claim Responses. For ease of reference, annexed hereto as Exhibit 2 is a copy of the Revised Proposed Order marked against the form of order attached as Exhibit A to the Debtors' Omnibus Cure Claim Reply. The Debtors submit that the Revised Proposed Order is appropriate and consistent with the Court's ruling at the Hearing, and that entry of the order is in the best interests of the Debtors, their estates and creditors. Counsel for Southwest has consented to the entry of the Revised Proposed Order.

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<sup>&</sup>lt;sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Revised Proposed Order (as defined below).

#### Accordingly, the Debtors respectfully request the Court to enter the Revised

Proposed Order at its earliest convenience without further notice or a hearing.

Dated: Wilmington, Delaware December 29, 2009

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ATTORNEYS FOR DEBTORS AND DEBTORS IN POSSESSION

### EXHIBIT 1

Revised Proposed Order

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## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

IN RE:	) Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, et al.,1	) Case No. 09-12074 (KJC)
Debtors.	Jointly Administered
	Ref. Docket No. 1090 and

#### ORDER RESOLVING CURE CLAIM OBJECTIONS

Upon consideration of the Omnibus Response (the "Response") of Building Materials

Holding Corporation and its affiliates, as debtors and debtors in possession (collectively, the

"Debtors"), to the various objections and other responses to the cure amounts asserted by the

Debtors in those certain Notices of (I) Possible Assumption of Executory Contracts and

Unexpired Leases, (II) Fixing of Cure Amounts In Connection Therewith, and (III) Deadline to

Object Thereto, all as set forth in the Response; and upon all of the proceedings had before the

Court; and after due deliberation and sufficient cause appearing therefor,

#### IT IS HEREBY ORDERED:

1. The Cure Claims<sup>2</sup> with respect to the Executory Contracts and Unexpired Leases identified on *Exhibit A* attached hereto shall be, and hereby are, fixed at the amounts set forth therein.

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The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows: Building Materials Holding Corporation (4269), BMC West Corporation (0454), SelectBuild Construction, Inc. (1340), SelectBuild Northern California, Inc. (7579), Illinois Framing, Inc. (4451), C Construction, Inc. (8206), TWF Construction, Inc. (3334), H.N.R. Framing Systems, Inc. (4329), SelectBuild Southern California, Inc. (9378), SelectBuild Nevada, Inc. (8912), SelectBuild Arizona, LLC (0036), and SelectBuild Illinois, LLC (0792). The mailing address for the Debtors is 720 Park Boulevard, Suite 200, Boise, Idaho 83712.

- 2. The objections with respect to the Executory Contracts and Unexpired Leases identified on *Exhibit B* attached hereto shall be preserved in the event that the Debtors elect to assume such executory contracts and unexpired leases. Likewise, the Debtors' rights to respond to such objections shall be preserved in all respects in the event that the Debtors elect to assume such executory contracts and unexpired leases.
- 3. The Cure Claim with respect to the C&I Contract shall be, and hereby is, fixed at \$0.00.
- the APA within the meaning of section 365 of the Bankruptcy Code in connection with their proposed assumption of the APA pursuant to the Plan (the "*Proposed Assumption*"). A hearing shall be held before this Court on January 27, 2009 at 3:00 p.m. (ET) (or such other time as the Debtors and Southwest Management may agree and this Court's calendar permits) with respect to the appropriate amount of the Cure Claim for the APA in connection with the Proposed Assumption (the "*Cure Claim Dispute*"), and the rights of all interested parties are reserved with respect to the Cure Claim Dispute. Notwithstanding this Court's entry of that certain Order Confirming Joint Plan of Reorganization for the Debtors Under Chapter 11 of the Bankruptcy Code Amended December 14, 2009 (With Technical Modifications) [Docket No. 1182] and any provisions of the Bankruptcy Code, including, without limitation, section 365(d)(2), to the contrary, the Debtors shall maintain the right to reject, in their sole discretion, the APA through and including the date which is three (3) business days from the date this Court makes a final

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Response (whether set forth explicitly therein or by reference to the Plan).

determination regarding the Cure Claim Dispute, and nothing in this Order is intended or shall be deemed or otherwise as an assumption by the Debtors and their estates of the APA pursuant to section 365 of the Bankruptcy Code.

5. The Debtors are authorized to take all actions necessary to effectuate the relief

granted pursuant to this Order in accordance with the Response.

6. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Date:	Wilmington,	Delaware
	December	, 2009

Kevin J. Carey Chief United States Bankruptcy Judge

#### EXHIBIT A

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Claimant	Contract to be Assumed	
Air Components & Systems Ltd. P.O. Box 560578 Charlotte, NC 28256	Service Agreement for Air Compressor Service with BMC West Corporation	\$184.03
Idaho Records Management 970 W. River Street Boise, ID 83702	Service Agreement – Record Retention Storage with BMC West Corporation	\$2,932.03

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### EXHIBIT B

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Claimant	Contract to be Rejected
Merli Concrete Pumping 2545 Marco St. Las Vegas, NV 89115-4519	Purchase Order with SelectBuild Nevada, Inc.
Keller Lumber Sales Inc. P.O. Box 994005 Redding, CA 96099	Purchase Order with BMC West Corporation
Berg Wholesale P.O. Box 3050 Tualatin, OR 97062	Purchase order with BMC West Corporation
Avaya, Inc. Multiple Addresses	Various contracts with BMC West Corporation for phone leasing and/or maintenance
Trade Show Services Ltd. d/b/a Pro-Tect Security 3511 S. Eastern Ave. Las Vegas, NV 89169	Contract with SelectBuild Nevada, Inc. to provide after hours security at the Range Road location
GlassCraft Door Company 2002 Brittmore Road Houston, TX 77043	Purchase Order with BMC West Corporation
Rio Grande Material 10645 N. Tatum Blvd. #200-650 Phoenix, AZ 85028	Purchase Order with SelectBuild Arizona, LLC
ECMD P.O. Box 130 North Wilkesboro, NC 28659	Purchase Order with BMC West Corporation
Crisp LaDew Fire Protection Co. 5201 Saunders Fort Worth, Texas 75119	Service Agreement — Maintenance of Fire Sprinkler System with BMC West Corporation
Brazos Forest Products, L.P. P.O. Box 535155 Grand Prairie, TX 75050	Purchase Order with BMC West Corporation
Walnut Creek Planing 5778 SR 515 Millersburg, OH 44654	Purchase Order with BMC West Corporation

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Claimant	Contract to be Rejected
Continental Trading, Inc.	Purchase Order with BMC
P.O. Box 8516	West Corporation
Bend, OR 97708	
First Cut Sawing and Breaking, Inc.	Purchase Order with
3634 East Southern Avenue, Suite 6	SelectBuild Arizona, LLC
Phoenix, AZ 85040	
Pelican Bay Forest Products	Purchase Order with BMC
P.O. Box 6958	West Corporation
Bend, OR 97708	

### **EXHIBIT 2**

Blackline of Revised Proposed Order

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## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

IN RE:	Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, et al., 1	Case No. 09-12074 (KJC)
Debtors.	Jointly Administered
	Ref. Docket No. <u>—1090 and</u>

#### ORDER RESOLVING CURE CLAIM OBJECTIONS

Upon consideration of the Omnibus Response (the "Response") of Building Materials
Holding Corporation and its affiliates, as debtors and debtors in possession (collectively, the
"Debtors"), to the various objections and other responses to the cure amounts asserted by the
Debtors in those certain Notices of (I) Possible Assumption of Executory Contracts and
Unexpired Leases, (II) Fixing of Cure Amounts In Connection Therewith, and (III) Deadline to
Object Thereto, all as set forth in the Response; and upon all of the proceedings had before the
Court; and after due deliberation and sufficient cause appearing therefor,

#### IT IS HEREBY ORDERED:

- 1. The Cure Claims<sup>2</sup> with respect to the Executory Contracts and Unexpired Leases identified on *Exhibit* BA attached to the Responsehereto shall be, and hereby are, fixed at the amounts set forth therein.
- The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows:
  Building Materials Holding Corporation (4269), BMC West Corporation (0454), SelectBuild
  Construction, Inc. (1340), SelectBuild Northern California, Inc. (7579), Illinois Framing, Inc. (4451), C
  Construction, Inc. (8206), TWF Construction, Inc. (3334), H.N.R. Framing Systems, Inc. (4329),
  SelectBuild Southern California, Inc. (9378), SelectBuild Nevada, Inc. (8912), SelectBuild Arizona, LLC
  (0036), and SelectBuild Illinois, LLC (0792). The mailing address for the Debtors is 720 Park
  Boulevard, Suite 200, Boise, Idaho 83712.
  - Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Response (whether set forth explicitly therein or by reference to the Plan).

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- 2. The objections with respect to the Executory Contracts and Unexpired Leases identified on *Exhibit GB* attached to the Responsehereto shall be preserved in the event that the Debtors elect to assume such executory contracts and unexpired leases. Likewise, the Debtors' rights to respond to such objections shall be preserved in all respects in the event that the Debtors elect to assume such executory contracts and unexpired leases.
- 3. The Cure Claim with respect to the C&I Contract shall be, and hereby is, fixed at \$0.00.
- The hearing on the Southwest Management Objection shall be held on January 27, 4. 2010 at 3:00 (ET) or at such other time as the Court may order or the parties may agree. The Debtors shall have until January 20, 2010 at 4:00 (ET) to file and serve their response to the Southwest Management Objection. In accordance with Section 6.4 of the Plan, should the Court sustain the Southwest Management Objection and determine that the Cure Claim in connection with the APA should be an amount greater than \$0.00, the Debtors shall retain the right to reject the APA in lieu of assuming it with a greater Cure Claim. Debtors have demonstrated adequate assurance of future performance under the APA within the meaning of section 365 of the Bankruptcy Code in connection with their proposed assumption of the APA pursuant to the Plan (the "Proposed Assumption"). A hearing shall be held before this Court on January 27, 2009 at 3:00 p.m. (ET) (or such other time as the Debtors and Southwest Management may agree and this Court's calendar permits) with respect to the appropriate amount of the Cure Claim for the APA in connection with the Proposed Assumption (the "Cure Claim Dispute"), and the rights of all interested parties are reserved with respect to the Cure Claim Dispute. Notwithstanding this Court's entry of that certain Order Confirming Joint Plan of Reorganization for the Debtors Under Chapter 11 of the Bankruptcy Code Amended December 14, 2009 (With Technical

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Modifications) [Docket No. 1182] and any provisions of the Bankruptcy Code. including.

without limitation, section 365(d)(2), to the contrary, the Debtors shall maintain the right to

reject, in their sole discretion, the APA through and including the date which is three (3) business

days from the date this Court makes a final determination regarding the Cure Claim Dispute, and

nothing in this Order is intended or shall be deemed or otherwise as an assumption by the

Debtors and their estates of the APA pursuant to section 365 of the Bankruptcy Code.

- 5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Response.
- 6. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Date:	Wilmington, Delaware	
	December, 2009	
		Kevin J. Carey
		Chief United States Bankruptcy Judge

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### EXHIBIT A

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### EXHIBIT B

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