

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	:	Chapter 11
	:	
	:	
BUILDING MATERIALS HOLDING CORPORATION, <i>et al</i> ¹	:	Case No. 09-12074 (KJC)
	:	(Jointly Administered)
Debtors.	:	
	:	Interim Obj. Deadline:
	:	February 3, 2010 at 4:00pm
	:	Final Obj. Deadline: February 8, 2010
	:	Hearing Date: February 22, 2010
	:	at 1:00pm

**SEVENTH MONTHLY AND FINAL APPLICATION OF EXECUTIVE SOUNDING BOARD ASSOCIATES INC. FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR THE PERIOD FROM (I) DECEMBER 1, 2009 THROUGH DECEMBER 31, 2009 AND (II) FROM JUNE 26, 2009 THROUGH DECEMBER 31, 2009**

Name of Applicant:	<u>Executive Sounding Board Associates Inc.</u>
Authorized to Provide Professional Services to:	<u>Official Committee of Unsecured Creditors</u>
Date of Retention:	<u>Nunc Pro Tunc to June 26, 2009</u>
Period for which compensation and reimbursement is sought:	<u>December 1, 2009 through December 31, 2009 (Monthly Period)</u> <u>June 26, 2009 through December 31, 2009 (Chapter 11 Final Period)</u>
Amount of Compensation sought as actual, reasonable and necessary:	<u>\$8,970.00 (80%, \$7,176.00) for Monthly Period</u> <u>\$377,912.50 for the Chapter 11 Final Period</u>

¹ 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.

Amount of Expense Reimbursement sought
as actual, reasonable and necessary:

\$0 for Monthly Period

\$19,355.57 for Chapter 11 Final Period

This is an: interim final application

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees (80%)	Approved Expenses
11/10/09 Dkt. 845	06/26/09- 06/30/09	\$7,695.00(80% \$6,156.00)	\$0	\$6,156.00	NA
11/10/09 Dkt. 846	07/01/09- 07/31/09	\$120,192.50(80% \$96,154.00)	\$10,427.13	\$96,154.00	\$10,427.13
11/10/09 Dkt. 847	08/01/09- 08/31/09	\$78,195.00 (80% \$62,556.00)	\$1,872.55	\$62,556.00	\$ 1,872.55
11/13/09 Dkt.921	09/01/09- 09/30/09	\$74,485.00 (80% \$59,588.00)	\$ 323.10	\$59,588.00	\$ 323.10
11/13/09 Dkt. 923	10/09/09- 10/31/09	\$75,275.00(80% \$60,220.00)	\$6,732.79	\$60,220.00	\$ 6,732.79
12/14/09 Dkt. 1132	11/01/09- 11/30/09	\$13,100.00 (80% 10,480.00)	\$0	\$10,480.00	NA
01/19/10 Dkt. Pending	12/01/09- 12/31/09	\$8,970.00 (80% 7,176.00)	\$0	Pending	NA
Totals:		\$377,912.50	\$19,355.57	\$295,154.00	\$19,355.57

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Debtors.	:	
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SEVENTH MONTHLY AND FINAL APPLICATION OF EXECUTIVE SOUNDING BOARD ASSOCIATES INC. FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD FROM (I) DECEMBER 1, 2009 THROUGH DECEMBER 31, 2009 AND (II) FROM JUNE 26, 2009 THROUGH DECEMBER 31, 2009

This Combined Seventh Monthly and Final Fee Application for Compensation and Reimbursement of Expenses (the “*Fee Application*”) is filed by Executive Sounding Board Associates Inc. (“*ESBA*”), requesting payment for services rendered and reimbursement of costs expended as Financial Advisor to the Official Committee of Unsecured Creditors (the “Committee”) for the period of (i) December 1, 2009 through December 31, 2009 (the “Monthly Period”) and (ii) June 26, 2009 through December 31, 2009 (the “Chapter 11 Final Period”) (together, the “*Application Period*”). In support of this Fee Application, “ESBA” respectfully states as follows:

Jurisdiction

¹ 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.

1. The Court has jurisdiction over this matter under 28 U.S.C §§ 1334. This is a core proceeding within the meaning of 28 U.S.C §§ 157 (b) (2). Venue of these chapter 11 cases in its district is proper under 28 U.S.C §§ 1408 and 1409.

Background

2. On June 16, 2009, (the “*Petition Date*”), each of the Debtors filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (as amended, the (the “Bankruptcy Code”). Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors continue in the management and operation of their businesses and properties as debtors in possession. The Debtors’ chapter 11 cases are being jointly administered for administrative purposes only.

3. On July 14, 2009, the Court entered the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the “Administrative Order) (Docket No. 182).

4. On June 16, 2009, the United States Trustee appointed the Committee. On August 3, 2009, the Committee selected ESBA to serve as its financial advisors. The Committee filed the Application, Pursuant to 11 U.S.C. §§ 327 (e), 328 and 330, for Approval of Employment of Executive Sounding Board Associates, as Financial Advisors to the Committee *Nunc Pro Tunc* to June 26, 2009 (the “ESBA Retention Application”) (Docket No. 578). On September 9, 2009, the Court entered an order approving the ESBA Retention Application (Docket No. 578).

**I. SEVENTH MONTHLY FEE APPLICATION COVERING THE PERIOD
DECEMBER 1, 2009 THROUGH DECEMBER 31, 2009**

5. ESBA submits this Fee Application pursuant to Sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Guidelines adopted by the Office of the United States Trustee, Del. Bankr. L.R. 2016-2, and the Administrative Order. By the monthly portion of this Fee Application, ESBA seeks payment of 80% of the fees requested (\$7,176.00 of \$8,970.00), no expenses were incurred during this period, less any amounts received to date, prior to the court's decision on the Final Fee Application.

6. The total number of hours expended by ESBA professionals in performing professional services as Financial Advisors to the Committee during the Monthly Period was 22.20 hours. The value of these services has been compared at the rates ESBA customarily charges for similar services provided to other clients.

7. A detailed chronological itemization of the services rendered by professional during the Monthly Period, calculated by tenths of an hour and categorized in accordance with the appropriated project code, is attached hereto as Exhibit "A". Every effort has been made by ESBA to categorize daily time entries in accordance with the correct project code. However, in some instances, services overlap between project codes. Thus, some services may appear under more than one code, although in no instance is a specific time entry recorded more than once.

8. Specifically, the services rendered by ESBA as Financial Advisor to the Committee during the Monthly Period include the following:

A. Creditor Committee (064)

Total Hours: 5.90 Fees: \$2,225.00

This category includes the preparation for and participation in meetings and conference calls with the Creditors Committee as well as the preparation of written updates to the Committee. This category also includes reviewing and responding to emails and calls from Committee members as well as counsel related to various case related matters.

B. Preparation of Application (074)

Total Hours: 4.00 Fees: \$1,800.00

This category includes reviewing and revising time entries in preparation of the monthly fee application. Work effort also included the drafting and finalizing the monthly fee application. This category also includes the preparation and review of Excel version of monthly fee application and submission to fee examiner.

C. Plan of Reorganization (107)

Total Hours: 12.30 Fees: \$4,945.00

This category includes the review Debtor's plan and disclosure statement. This also includes preparation for and participation in settlement discussions with Committee counsel as well as Debtor advisors. Additional time was spent in the review of the feasibility and liquidation analysis with the Debtors financial advisors. Category also includes the review and analysis of PJS revised liquidation analysis under various recovery assumptions.

9. The professionals of ESBA have expended a total of 22.20 hours in connection with this matter during the Compensation Period, as follows: The nature of the work performed by these persons is fully set forth in Exhibit A. These are ESBA's normal hourly rates for work of this character. The reasonable value of the services rendered by ESBA to the Committee during the Compensation Period is \$8,970.00
10. No expenses were incurred during the Monthly Period.

II. FINAL FEE APPLICATION COVERING THE PERIOD JUNE 26, 2009 THROUGH DECEMBER 31, 2009

11. By this Application, ESBA also requests final allowance and payment of actual, necessary services rendered (\$377,912.50) as Financial Advisors to the Committee during the Chapter 11 Final Application Period (June 26, 2009 through December 31, 2009). Prior Interim Fee Applications are summarized below:

- a. First monthly Fee Application for June 26, 2009 through June 30, 2009 filed November 10, 2009 for fees of \$7,695.00 and no expenses. No objections were filed and ESBA received payment of 80% of fees.
- b. Second monthly Fee Application for July 1, 2009 through July 31, 2009 filed November 10, 2009 for fees of \$120,192.50 and expenses of \$10,427.13. No objections were filed and ESBA received payment of 80% of fees and 100% of expenses.
- c. Third monthly Fee Application for August 1 through August 31, 2009 filed November 10, 2009 for fees of \$78,195.00 and expenses of \$1,872.55. No objections

were filed and ESBA received payment of 80% of fees and 100% of expenses.

d. Fourth monthly Fee Application for September 1, 2009 through September 30, 2009 filed November 13, 2009 for fees of \$74,485.00 and expenses of \$323.10. No objections were filed and ESBA received payment of 80% of fees and 100% of expenses.

e. Fifth monthly Fee Application for October 1, 2009 through October 31, 2009 filed November 13, 2009 for fees of \$75,275.00 and expenses of \$6,732.79. No projections were filed and ESBA received payment of 80% of fees and 100% of expenses.

f. Sixth monthly Fee Application for November 1, 2009 through November 30, 2009 for fees of \$13,100.00 and no expenses. No objections were filed and ESBA received payment of 80% of fees.

12. All prior fee applications are incorporated by reference as if set forth in full herein. Copies of all fee applications are available upon request to the undersigned.

13. In accordance with Del. Bankr. LR 2016-2, a summary schedule of hours and fees for each professional and support person, and a summary of hours and fees categorized by project code are attached hereto as Exhibit "B". The undersigned submits that this Fee Application complies with De. Bankr. LR 2016-2.

14. During the Chapter 11 Final Application Period, ESBA provided necessary financial advisory services to the Committee in connection with various issues and matters affecting these estates. ESBA has made every attempt to keep the legal services rendered as economic, cost effective, and time efficient as possible.

15. ESBA seeks this Court's approval of the total fees for services rendered and

expenses incurred during the Application Period. To the extent ESBA has received certain payments from the Debtors pursuant to the terms of the Administrative Order, ESBA, by this Fee Application, seeks payment of the outstanding balance due and owing.

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

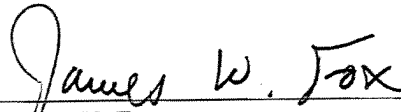
Valuation of Services

16. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by ESBA is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services in other cases.

WHEREFORE, Executive Sounding Board Associates Inc, respectfully requests an award of compensation for professional services rendered of (i) \$7,176.00 (80% of \$8,970.00) in fees during the Monthly Period and (ii) \$377,912.50 in fees and \$19,355.57 in expenses during the Chapter 11 Final Period and further requests such other and further relief as the Court may deem just and proper.

Dated: January 19th 2010

Respectfully Submitted,
Executive Sounding Board Associates Inc.

A handwritten signature in black ink that reads "James W. Fox". The signature is written in a cursive style with a large initial "J" and "F".

James W. Fox
EXECUTIVE SOUNDING BOARD
ASSOCIATES INC.

1350 Broadway, Suite 702

New York, NY 10018

Tel: (212) 944-0750

Fax: (212) 944-0753

*Financial Advisors to the Official Committee of
Unsecured Creditors*

EXHIBIT A

Client: Building Materials Holding Cor

January 5, 2010

Invoice# 8022

Client: Building Materials Holding Cor
Kerrigan, Daniel **Managing Director**

Date	Task	Tmkp	Description	Hours Worked	Rate	Fees Billed
12/07/09	107	DK	Read, review and analyze revised liquidation analysis prepared by PJS	2.50	450.00	\$1,125.00
12/07/09	107	DK	Calls and emails with PJS regarding revised liquidation analysis and ESBA comparison.	2.10	450.00	\$945.00
12/07/09	107	DK	Calls and emails with counsel to discuss revised liquidation analysis prepared by PJS and the potential for greater recovery for the UCC	1.80	450.00	\$810.00
12/07/09	064	DK	Prepare for and participate in conference call with Committee regarding outcome of revised liquidation analysis and discuss next steps. Includes updated analysis for Committee.	1.60	450.00	\$720.00
12/09/09	074	DK	Review and revise time entries and draft November fee application.	1.50	450.00	\$675.00
12/09/09	074	DK	Review excel template prepared for fee examiner for September and October invoices and fee applications.	1.50	450.00	\$675.00
12/15/09	074	DK	Draft description of services for December fee application.	1.00	450.00	\$450.00
Totals for: Kerrigan, Daniel				12.00	450.00	\$5,400.00

Dervis, Michael **Senior Associate**

Date	Task	Tmkp	Description	Hours Worked	Rate	Fees Billed
12/03/09	064	MD	Participation in telephonic discussion including ESBA, UCC Counsel and committee board regarding effects of recovery arising from newly enacted tax legislation and effects on BMHC.	0.70	350.00	\$245.00
12/03/09	064	MD	Review, analysis of e-mails pertaining to BMHC unsecured creditor committee business from board members and UCC counsel.	0.50	350.00	\$175.00
12/03/09	064	MD	Preparation for the creditor's committee meeting regarding liquidation analysis and UCC recovery options.	0.60	350.00	\$210.00
12/03/09	107	MD	Prepare analysis of a liquidation study with assumptions of a larger tax refund due to newly enacted legislation and assuming that all creditors share in the possible tax refund.	2.40	350.00	\$840.00
12/04/09	107	MD	Read, review and respond to e-mails regarding the liquidation analysis regarding the potential increase in the future tax refunds.	0.40	350.00	\$140.00
12/05/09	107	MD	Preparation of a preliminary draft analysis comparing the PJS and ESBA liquidation models.	1.30	350.00	\$455.00
12/05/09	064	MD	Review and respond to e-mails concerning the UCC financial issues raised by UCC and debtor's counsel.	0.60	350.00	\$210.00
12/05/09	064	MD	Internal discussions regarding the liquidation analysis	0.40	350.00	\$140.00

Client: Building Materials Holding Cor

and effect of tax refunds and SERP proceeds.

12/07/09	064	MD	Internal discussions regarding comparison's of debtor liquidation model and UCC liquidation model.	0.30	350.00	\$105.00
12/07/09	064	MD	Discussions with UCC counsel and debtors' financial advisor regarding liquidation model break down by entity.	0.50	350.00	\$175.00
12/07/09	064	MD	Discussion with debtors' financial advisors on the analysis prepared by them on the additional tax refund potential.	0.40	350.00	\$140.00
12/07/09	064	MD	Internal discussions with counsel for UCC regarding status update on PJS call.	0.30	350.00	\$105.00
12/07/09	107	MD	Prepare analysis on liquidation proceeds benefiting all creditors for the UCC chair persons.	1.80	350.00	\$630.00
			Totals for: Dervis, Michael	10.20	350.00	\$3,570.00
			TOTALS :	22.20		\$8,970.00

**ATTACHMENT A
TO FEE APPLICATION
PROFESSIONALS
DECEMBER 1, 2009 THROUGH DECEMBER 31, 2009**

Name of Professional Individual	Position, year assumed position, prior relevant experience, year of obtaining relevant license to practice	Hourly Billing Rate (including changes)	Total Hours Billed	Total Compensation
Dan Kerrigan	Managing Director	\$450.00	12.00	\$5,400.00
Mike Dervis	Senior Associate	\$350.00	10.20	\$3,570.00
TOTAL			22.20	\$8,970.00

Blended Rate: \$404.05

COMPENSATION BY PROJECT CATEGORY

Project Category	Hours	Fees
Creditor Committee-064	5.90	\$2,225.00
Preparation of Application 074	4.00	\$1,800.00
Plan of Reorganization-107	12.30	\$4,945/00
Total	22.20	\$8,970.00

VERIFICATION

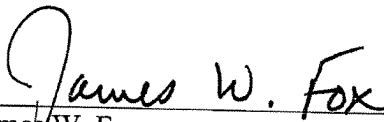
STATE OF NEW YORK)
)
COUNTY OF NEW YORK) SS:

James W. Fox, after being duly sworn according to law, deposes and says:

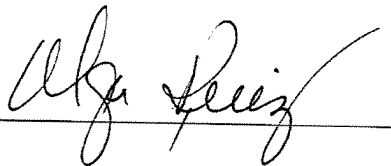
a) I am a managing director with Executive Sounding Board Associates Inc.

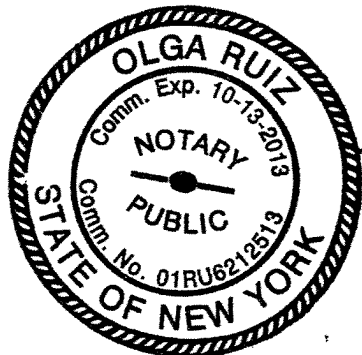
b) I am familiar with the work performed on behalf of the Committee by the financial advisors in the firm.

c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Del. Bankr. L.R. 2016-2, and submit that the Application substantially complies with such Local Rule.


James W. Fox

SWORN AND SUBSCRIBED TO before me
This 19th day of January, 2010





IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

----- X
In re: : Chapter 11
: :
BUILDING MATERIAL HOLDING : Case No. 09-12074 (KJC)
CORPORATION, et al. : :
: Jointly Administered
Debtors. : :
: :
----- X

CERTIFICATE OF SERVICE

I, Bradford J. Sandler, Esquire, hereby certify that on January 19, 2010, a true and correct copy of the foregoing document was served via overnight delivery, postage prepaid, upon all parties on the attached list.

Dated: January 19, 2010

BENESCH, FRIEDLANDER, COPLAN &
ARONOFF LLP

By: /s/ Bradford J. Sandler
Bradford J. Sandler, Esquire (No. 4142)
222 Delaware Ave., Suite 801
Wilmington, DE 19809
302-442-7010 (telephone)
302-442-7012 (facsimile)
bsandler@beneschlaw.com

Counsel to the Official Committee of Unsecured
Creditors

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Suite 200
Boise, ID 83712

Gibson, Dunn & Crutcher LLP
Attn: Michael A. Rosenthal and Matthew K. Kelsey
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New York, NY 10166

Office of the United States Trustee
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Wilmington, DE 19801

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