

**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)
)	
Reorganized Debtors.)	Jointly Administered
)	Ref. Docket Nos. 956, 1393, 1451, and 1477

**ORDER APPROVING STIPULATION RESOLVING THE
MOTION OF PACIFIC BAY PROPERTIES FOR RELIEF
FROM THE PLAN INJUNCTION OR, IN THE ALTERNATIVE,
FOR RELIEF FROM THE AUTOMATIC STAY TO PERMIT
CONTINUATION OF STATE COURT LITIGATION**

Upon consideration of the *Certification of Counsel Regarding Stipulation*

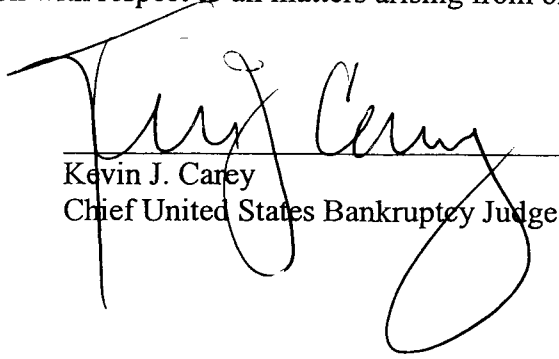
Resolving the Motion of Pacific Bay Properties for Relief from the Plan Injunction or, in the Alternative, for Relief from the Automatic Stay to Permit Continuation of State Court Litigation (the "Certification of Counsel"); and the Court having found, based on the statements made in the Certification of Counsel, that notice of the Stipulation (as defined in the Certification of Counsel) was provided in accordance with the Procedures Order (as defined in the Certification of Counsel); and good and sufficient cause appearing therefore, it is hereby ORDERED that;

1. The Stipulation, a copy of which is attached hereto as Exhibit A, is hereby approved.

¹ The Reorganized Debtors, along with the last four digits of each Reorganized 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 Reorganized Debtors is 720 Park Boulevard, Suite 200, Boise, Idaho 83712.

2. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: March 18, 2010
Wilmington, Delaware



Kevin J. Carey
Chief United States Bankruptcy Judge

EXHIBIT A

Stipulation

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:)	
)	Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, <i>et al.</i> , ¹)	Case No. 09-12074 (KJC)
Reorganized Debtors.)	Jointly Administered

STIPULATION RESOLVING THE REQUEST OF PACIFIC BAY PROPERTIES FOR RELIEF FROM THE AUTOMATIC STAY AND THE PLAN INJUNCTION

Pacific Bay Properties (the "*Claimant*"), and Building Materials Holding Corporation and its affiliates, the reorganized debtors in the above-referenced cases (collectively, the "*Debtors*," and together with the Claimant, the "*Parties*") hereby respectfully stipulate and agree as follows:

RECITALS

WHEREAS, on June 16, 2009 (the "*Petition Date*"), each of the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the "*Court*") voluntary petitions for relief under title 11 of the United States Code (the "*Bankruptcy Code*"). The Debtors' cases are being jointly administered pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure. On December 17, 2009 the Court entered an *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] (the "*Confirmation*

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Order") confirming the Debtors' joint plan of reorganization (the "*Plan*"). On January 4, 2010 (the "*Effective Date*"), the Debtors' Plan became effective;

WHEREAS, from the Petition Date until the Effective Date, the automatic stay imposed by 11 U.S.C. § 362 prevented persons or entities from bringing or continuing any actions against the Debtors on account of prepetition claims, and from and after the Effective Date the injunction imposed by the Plan and Confirmation Order (the "*Plan Injunction*") prevents persons or entities from bringing or continuing any actions against the Debtors on account of prepetition claims;

WHEREAS, the Claimant has requested that the Debtors stipulate to lift the Plan Injunction to allow the Claimant to proceed against certain insurance proceeds which may be recoverable by the Claimant as a result of Case No. 37-2009-00091480-CU-CD-CTL in the San Diego Superior Court of the State of California (the "*Action*");

WHEREAS, the Claimants assert they are entitled to recover from certain of Debtors' general liability policies with respect to the claims alleged in the Action (the "*Policies*");

WHEREAS, the Debtors are willing to stipulate to relief from the Plan Injunction in favor of the Claimant for the sole purpose of allowing the Claimant to proceed with the Action to recover insurance proceeds from the applicable Policies, with certain conditions as provided below to protect the Debtor from administrative expense, given the uncertainty surrounding the provisions of the Policies.

NOW THEREFORE, in order to avoid the costs, risks and inconveniences of litigation, it is hereby stipulated and agreed as follows:

1. The Parties hereby acknowledge and agree to relief from the Plan Injunction being granted in favor of the Claimant for the sole purpose of allowing the Claimant to proceed with the Action to recover applicable insurance proceeds from the Policies.

2. If any action by the Claimant would cause the Insurers to have a claim against the Debtors on account of any deductible, self insured retention, TPA fee and/or claim handling fees under the Policies, the Claimant acknowledges and agrees that it shall not seek any payment under the Policies unless it satisfies directly with the Insurers any such deductible, self insured retention, TPA fee, and/or claim handling fees.

3. The Parties hereby acknowledge and agree that this Stipulation shall fully and finally resolve, and the Claimant waives and releases, any direct, pre-petition, post-petition, administrative, or other claim against the Debtors of any kind or nature, arising out of or related to the Action, provided, however, that the Claimant shall retain a claim to the extent necessary to obtain insurance proceeds from the Policies.

4. The Parties hereby acknowledge and agree that this Stipulation is entered into solely for the convenience of the Parties and neither this Stipulation nor the fact of its execution will constitute any admission or acknowledgment or liability or wrongdoing on the part of any of the Parties. The Parties will not offer this Stipulation or the fact of its execution into evidence in any proceeding other than a proceeding to approve or enforce this Stipulation or any of its terms.

5. Each party shall bear its own attorneys' fees and costs with respect to the execution and delivery of this Stipulation. Each of the undersigned are duly authorized and empowered to execute this Stipulation.

6. This Stipulation is governed by and shall be construed in accordance with the law of the State of Delaware, without regard to its conflict of laws provisions. The Court

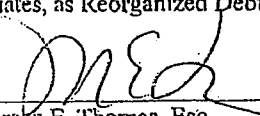
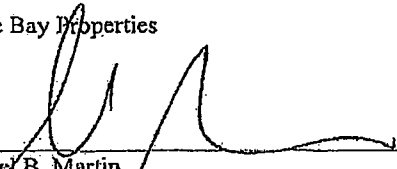
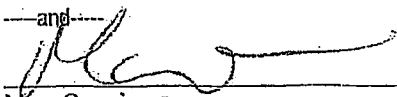
7. All of the recitals set forth above are incorporated by reference as if fully set forth herein. This Stipulation constitutes the complete express agreement of the Parties hereto concerning the subject matter hereof, and no modification or amendment to this Stipulation shall be valid unless it is in writing, and signed by the Party or Parties to be charged.

8. It is acknowledged that each Party has participated in and jointly consented to the drafting of this Stipulation and that any claimed ambiguity shall not be construed for or against either Party on account of such drafting.

9. This Stipulation may be executed in counterparts, any of which may be transmitted by facsimile or electronic mail, and each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

10. This Stipulation shall become effective immediately upon execution by the Parties.

[Signature Page to Follow]

<p>For Building Materials Holding Corporation and its affiliates, as Reorganized Debtors</p>	<p>For Pacific Bay Properties</p>
<p> Maureen E. Thomas, Esq. 982 Coledale Ct. White Lake, MI 48386</p>	<p> Michael B. Martin Ginn, Vranjes, McCormick & Graham, LLP 550 West C Street, Suite 1100 San Diego, CA 92101</p>
<p>Dated: 2-22-10</p>	<p>Dated: 2/22/10</p>
	<p>and  Marc Casarino ³⁶¹³ White and Williams LLP 824 N. Market Street Suite 902 P.O. Box 709 Wilmington, DE 19899 Dated: 02/22/10</p>