

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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U.S. BANKRUPTCY COURT
DISTRICT OF DELAWARE

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

VERIFIED STATEMENTS OF CONNECTIONS

I, Keith S. Knochel, declare under penalty of perjury:

1. I am a principal, of the Law Offices of Keith S. Knochel, P.C., located at 2135 Highway 95, Suite 241, Bullhead City, Arizona 86442 (the "*Firm*").
2. Building Materials Holding Corporation and its affiliates, as debtors and debtors in possession (collectively, the "*Debtors*") have requested that the Firm provide legal services to the Debtors, and the Firm has consented to provide such services.
3. If the Firm is a law firm, I state that the Firm did represent the Debtors prior to their bankruptcy filings.
4. The Firm may have performed services in the past, may currently perform services and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases, or have any relationship with any such person, their attorneys or accountants that would be

adverse to the Debtors or their estates. Furthermore, if the Firm is either (i) not a law firm or (ii) a law firm that did not represent the Debtors prior to their bankruptcy filings, the Firm is a “disinterested person” under 11 U.S.C. § 101(14), such that the Firm:

- (a) is not a creditor, an equity security holder, or an insider of any of the debtors;
- (b) is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of any of the Debtors; and
- (c) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

5. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants, and parties-in-interest in the Debtors’ chapter 11 cases.

6. Neither I nor any principal, partner, director, officer, etc. of, or professional employed by, the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Firm.

7. In the ordinary course of its business, the Firm maintains a database for purposes of performing “conflicts checks.” The Firm’s database contains information regarding the Firm’s present and past representations. Pursuant to Federal Rule of Bankruptcy Procedure 2014(a), I obtained a list of the entities identified in Rule 2014(a) from counsel to the Debtors for purposes of searching the aforementioned database and

determining the connection(s) which the Firm has with such entities. The Firm's search of the database identified the following connections:

8. C Construction, Inc.

9. Neither I nor any principal of or professional employed by, the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which this Firm is to be employed. Furthermore, if the Firm is either (i) not a law firm or (ii) a law firm that did not represent the Debtors prior to their bankruptcy filings, I state that neither I nor any principal of or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors.

10. The Debtors owe the Firm \$2,605.00 for prepetition services, the payment of which is subject to limitations contained in the United States Bankruptcy Code, 11 U.S.C. § §101-1532. If the Firm is either (i) not a law firm or (ii) a law firm that did not represent the Debtors prior to their bankruptcy filings, my signature below acknowledges that the Firm understands that any and all pre-petition claims that it has against the Debtors will be deemed waived if the Firm's employment is authorized.

11. As of June 16, 2009, which was the date on which the Debtors commenced these chapter 11 cases, the Firm was party to an engagement of services agreement with the Debtors. **[A copy of such agreement is attached as *Exhibit A* to this Declaration].**

12. As of June 16, 2009, the Firm was not party to an agreement for indemnification with certain of the Debtors.

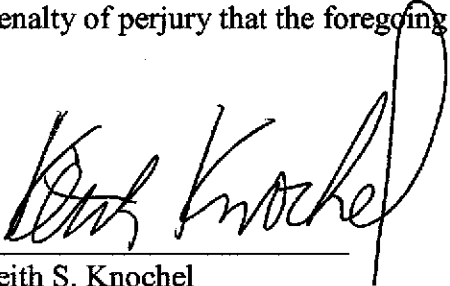
13. If the Firm is not a law firm, the following is a list of all payments which the Firm received from the Debtors during the year prior to the Debtor's bankruptcy filings:

[The Debtors recommend (and the U.S. Trustee requests) that the OPC organize payments in the following columns; invoice date, invoice amount, date(s) of service covered by invoice, payment date and payment amount. Retainers and draws on retainers should be specifically notes as such]

14. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing
is true and correct.

Date: July 28, 2009



Keith S. Knochel

EXHIBIT A

AGREEMENT TO PROVIDE LEGAL SERVICES

THIS AGREEMENT, dated February 11, 2009, is made BETWEEN the Client, referred to as "You" C CONSTRUCTION/SELECT BUILD whose address is:

c/o Maureen Thomas Legal Counsel
9832 Caledale Court
White Lake, MI 48386

AND THE LAW OFFICES OF KEITH S. KNOCHEL, referred to as the "Law Firm", whose address is:

2135 Highway 95, Suite 241, Bullhead City, Arizona 86442

LEGAL SERVICES TO BE PROVIDED. You agree that the Law Firm will represent you in the following matter and only the following matter:

Defense of lawsuit: C Construction Inc dba Select Build
Integrated Construction Services dba Select Build; Mohave County
Arizona Cause No. CV-2008-4248 - adv. Pueblo Construction
Law Firm will also represent Liberty Mutual in this same matter.

1. **THE LEGAL WORK INCLUDES** all necessary court appearances, research, investigation, correspondence, preparation and drafting of pleadings and other legal documents, trial preparation and all other related legal work to properly represent you in this matter.
2. **ADDITIONAL LEGAL SERVICES.** If you need any other services which are not specifically related to the above, you and the Law Firm must make a new agreement to provide the other legal services.
3. **LEGAL FEES.** The Law Firm cannot and does not predict or guarantee what your final bill will be. This will depend on the amount of the time spent on your case and the amount of other expenses.
 - A. **INITIAL PAYMENT.** The Law Firm will begin work on your case upon receipt of \$ 0. This sum will be applied towards your fees and expenses according to this agreement.
 - B. **MINIMUM FEE.** You agree to pay a minimum of \$ 0 for legal services regardless of the amount of time actually spent on this case. This fee is earned in full upon receipt and is non-refundable; however, under certain circumstances you may have the right to a refund. The Law Firm will review your matter upon its conclusion to determine if any of the fees charged should equitably be refunded to you based upon the services rendered. Additionally, you may discharge the Law Firm at any time and in that event may be entitled to a refund of all or part of the fee.
 - C. **HOURLY RATE.** You agree to pay the Law Firm for legal services at the following rates:

Rate Per Hour	Services Of
\$275.00 \$300.00/Hr.	Keith S. Knochel, Esq.
\$250.00/Hr.	Senior Associate Attorney
\$175.00/Hr.	Associate Attorney
\$150.00/Hr.	Law Clerk
\$125.00/Hr.	Legal Assistant

Client understands and hereby agrees that Associate Attorneys will be providing Legal services on their case. THE FIRM RESERVES THE RIGHT TO MODIFY ITS BILLING RATES FROM TIME TO TIME.

FILE

cc: Accountant 2/11/09

D. **All Services Will Be Billed.** You will be billed at the hourly rate set forth in paragraph 3C above for all services rendered. This includes telephone calls, dictating and reviewing documents, travel time to and from meetings and the court, legal research, negotiations, and any other service relating to this matter. The minimum billing time spent on any service provided by any member of the Law Firm is two-tenths (0.2) of an hour.

E. **Payment by Third Parties.** If another person or entity (Third Party) is to be responsible for some or all of the Law Firm's fee and/or costs which may become due under this Agreement, it is understood that should the Third Party fail to pay any fee and/or expense as it comes due, Client shall remain responsible for paying all fees and/or costs as they come due or as otherwise specified in this Agreement. It is understood that the attorney/client relationship will only exist between the Law Firm and the Client, and that the Third Party will have no right to information regarding the representation of Client by the Law Firm, and have no right to control or direct the Law Firm in providing the services under this Agreement, unless specifically approved by Client.

4. **COSTS AND EXPENSES.** In addition to legal fees, you must also pay all costs & expenses incurred in your matter, including, but not limited to: Expert fees, court costs, accountant's fees, appraiser's fees, service fees, investigator fees, deposition costs, messenger services, photocopying charges (\$0.20 per page), telephone toll calls (\$1.00 per call), postage and any other expenses incurred in this matter. The Law Firm may require that expert(s) be retained directly by you. You would then be solely responsible to directly pay the expert(s).

5. **BILLS.** The Law Firm will send you itemized bills on a quarterly basis if the Law Firm has been retained under an hourly fee agreement. However, if the Law Firm has been retained under a flat fee agreement, you understand and agree that no bills will be sent. The Law Firm may require that costs and expenses (See Paragraph 4) be paid in advance. All other bills for costs and legal expenses are due upon receipt. You will be charged interest at a yearly rate of 12% on any remaining balance not paid within thirty (30) days from the date of bill.

6. **YOUR RESPONSIBILITY.** You must fully cooperate with the Law Firm and provide all information relevant to the issues involved in this matter. You must also pay bills promptly as required by this Agreement. You must immediately notify the Law Firm of any change in your address or telephone number. If you do not comply with these requirements, the Law Firm may withdraw from representing you and bill you for all services rendered. The Law Firm will also withdraw at your request.

7. **NO GUARANTEE.** The Law Firm agrees to provide conscientious, competent and diligent services and at all times will seek to achieve solutions which are just and reasonable for you. However, because of the uncertainty of legal proceedings, and the interpretation and changes in the law and many unknown factors, the Law Firm cannot and does not warrant, predict or guarantee the results or final outcome of any case, nor the ultimate final bill for services rendered.

8. **FLAT FEE.** If legal services are to be provided on a "Flat Fee" basis, attorney time expended for such services shall not exceed _____ hours without additional compensation being negotiated.

9. This agreement shall be interpreted and construed according to Arizona law. Any dispute or litigation regarding this agreement shall also be decided by Arizona courts.

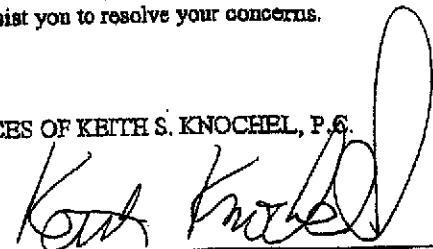
10. ~~The law firm will maintain a physical file for five years from conclusion of the representation.~~

ASSIGNED TO: _____

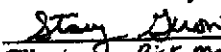
SIGNATURES. You and the Law Firm have read and consent to this Agreement. The Law Firm has answered all of your questions and fully explained this Agreement to your complete satisfaction. You have been given a copy of this Agreement and acknowledge receipt thereof. This Agreement is the entire Agreement between the parties and there are no other terms or conditions to this Agreement, express or implied. There are no oral agreements. You have been provided with Mr. Knochel's business e-mail and office telephone extension, as well as his home telephone number. Should any issue arise in your matter which You do not feel has been appropriately resolved to your satisfaction, or if Your calls have not been timely returned by his staff, You agree to contact Mr. Knochel directly and personally and so advise him so he can assist you to resolve your concerns.

Law Firm: THE LAW OFFICES OF KEITH S. KNOCHEL, P.C.

Dated: 2/11/09

By: 
Attorney

Dated: 2/11/09

By: 
Client Risk Management Specialist / Construction

Dated: _____

By: _____
Client