

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

IN RE:

**BUILDING MATERIALS HOLDING
CORPORATION, *et al.*,¹**

Debtors.

Chapter 11

Case No. 09-12074 (KJC)

Jointly Administered

Ref. Docket Nos. 104 and 326

**SUPPLEMENTAL DECLARATION OF GLENN M. FARRELL IN SUPPORT
OF DEBTORS' APPLICATION PURSUANT TO SECTIONS 327(a) AND 328(a)
OF THE BANKRUPTCY CODE FOR AN ORDER AUTHORIZING THE DEBTORS
TO RETAIN AND EMPLOY KPMG LLP AS AUDITORS AND TAX ADVISOR
NUNC PRO TUNC TO THE PETITION DATE, AND WAIVING
CERTAIN REQUIREMENTS OF LOCAL RULE 2016-2**

I, Glenn M. Farrell, being duly sworn, hereby deposes and says as follows:

FOUNDATION

1. I am a Certified Public Accountant and a partner of KPMG LLP, a professional services firm ("**KPMG**"). KPMG is the United States member firm of KPMG International, a Swiss cooperative. I submit this Supplemental Declaration, pursuant to sections 327(a) and 329 of title 11 of the United States Code, Rules 2014 and 2016(b) of the Federal Rules of Bankruptcy Procedure, and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware, in support of the *Debtors' Application Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code for an Order Authorizing the Debtors to Retain and Employ KPMG LLP as Auditors and Tax Advisor*

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.

Nunc Pro Tunc to the Petition Date, and Waiving Certain Requirements Of Local Rule 2016-2
(the "*Application*"). Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.²

SUPPLEMENTAL DISCLOSURES

2. A payment history for all payments received by KPMG from the Debtors during the one (1) year period preceding the Petition Date is set forth on *Exhibit A* annexed hereto.

² Capitalized terms used but not defined herein shall have the meanings set forth in the Application.

Pursuant to 28 U.S.C. section 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated this 5th day of August, 2009

By: Glenn M. Farrell
Glenn M. Farrell
Partner

EXHIBIT A

KPMG Payment History

KPMG LLP**In re: BUILDING MATERIALS HOLDING CORPORATION, et al
PAYMENT HISTORY FOR THE 365 DAYS PRIOR TO FILING BANKRUPTCY**

Invoice Date	Invoice Amount	Dates of Services Performed	Payment Date	Payment Amount	Project #	Services Provided	Bill #
5/14/2008	\$150,000	First progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008, including engagement planning and scoping, and review of the interim financial statements as of and for the three months ended March 31, 2008.	6/4/2008	\$ 150,000	11714437	2008 Integrated Audit	43092826
7/18/2008	119,883	Second progress billing for professional services rendered and out-of-pocket expenses incurred through June 30, 2008 in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008, including engagement planning and scoping, meetings and site visits.	8/5/2008	\$ 119,883	11714437	2008 Integrated Audit	43165375
8/4/2008	165,424	Third progress billing for professional services rendered and out-of-pocket expenses incurred through July 31, 2008 in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008, including engagement planning and scoping, meetings and site visits, and review of the interim financial statements as of and for the six month ended June 30, 2008.	8/27/2008	\$ 165,424	11714437	2008 Integrated Audit	43169674
9/10/2008	30,000	First progress billing for audit of financial statements and supplemental schedules of the Savings and Retirement Plans of Debtors as of December 31, 2007 and 2006, and for the year ended December 31, 2007	9/24/2008	\$ 30,000	11761265	2007 Benefit Plan Audit	43199571
9/4/2008	200,000	Fourth progress billing for professional services rendered through August 31, 2008 in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008, including engagement planning, meetings and site visits, and completion of the review of the interim financial statements as of and for the six month ended June 30, 2008.	9/24/2008	\$ 200,000	11714437	2008 Integrated Audit	43193791
10/13/2008	250,000	Fifth progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008	10/30/2008	\$ 250,000	11714437	2008 Integrated Audit	43228157

KPMG LLP**In re: BUILDING MATERIALS HOLDING CORPORATION, et al
PAYMENT HISTORY FOR THE 365 DAYS PRIOR TO FILING BANKRUPTCY**

Invoice Date	Invoice Amount	Dates of Services Performed	Payment Date	Payment Amount	Project #	Services Provided	Bill #
10/30/2008	30,000	Second progress billing for audit of financial statements and supplemental schedules of the Savings and Retirement Plans of Debtors as of December 31, 2007 and 2008, and for the year ended December 31, 2007	11/18/2008	\$ 30,000	11761265	2007 Benefit Plan Audit	43239752
11/5/2008	250,000	Sixth progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008	12/17/2008	\$ 250,000	11714437	2008 Integrated Audit	43243608
12/22/2008	10,000	Third progress billing for audit of financial statements and supplemental schedules of the Savings and Retirement Plans of Debtors as of December 31, 2007 and 2008, and for the year ended December 31, 2007	1/9/2009	\$ 10,000	11761265	2007 Benefit Plan Audit	43284877
1/14/2009	250,000	Seventh progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ended December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008	1/30/2009	\$ 250,000	11714437	2008 Integrated Audit	43297873
1/28/2009	10,000	Fourth progress billing for audit of financial statements and supplemental schedules of the Savings and Retirement Plans of Debtors as of December 31, 2007 and 2008, and for the year ended December 31, 2007	2/6/2009	\$ 10,000	11761265	2007 Benefit Plan Audit	43308776
2/6/2009	300,000	Eighth progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ended December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008.	2/20/2009	\$ 300,000	11714437	2008 Integrated Audit	43319542
3/9/2009	300,000	Ninth progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ended December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008.	3/27/2009	\$ 300,000	11714437	2008 Integrated Audit	43347884
3/10/2009	24,990	Services from Inception through 2/28/09	4/2/2009	\$ 24,990	11819351	IRS EXAM - IRC 263A	43349630
3/25/2009	5,232	Additional Fees due to significant delays and issues with the prior year audit; approved by client management group. Also includes expenses during the audit of \$732.	4/9/2009	\$ 5,232	11761265	2007 Benefit Plan Audit	43383715
3/27/2009	91,828	Billing for out-of-pocket expenses incurred from August 1, 2008 through February 28, 2009, in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ended December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008.	4/24/2009	\$ 91,828	11714437	2008 Integrated Audit	43366624
4/10/2009	10,064	Services for period March 1 through March 31, 2009	5/14/2009	\$ 10,064	11819351	IRS EXAM - IRC 263A	43381714

KPMG LLP**in re: BUILDING MATERIALS HOLDING CORPORATION, et al
PAYMENT HISTORY FOR THE 365 DAYS PRIOR TO FILING BANKRUPTCY**

Invoice Date	Invoice Amount	Dates of Services Performed	Payment Date	Payment Amount	Project #	Services Provided	Bill #
4/21/2009	50,000	Final billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ended December 31, 2008, and the audit of the Company's internal control over financial reporting as of December 31, 2008	6/2/2009	\$ 50,000	11714437	2008 Integrated Audit	43392862
5/7/2009	125,000	First progress billing for professional services rendered in connection with the audit of the consolidated financial statements of Building Materials Holding Corporation as of and for the year ending December 31, 2009, and the audit of the Company's internal over financial reporting as of December 31, 2009, including preliminary engagement planning and review of the interim financial statements as of and for the three months ended March 31, 2009.	6/2/2009	\$ 125,000	11850829	2009 Integrated Audit	43416814
5/11/2009	11,095	Services for period April 1 through April 30, 2009	6/9/2009	\$ 11,095	11819351	IRS EXAM - IRC 263A	43420221
TOTAL	<u>\$2,383,616</u>						

OPEN INVOICES

6/9/2009	\$8,102	Billing for professional tax services rendered through June 9, 2009, with respect to the Internal Revenue Service examination with regard to uniform capitalization of costs under IRC section 263A for the 2005, 2006 and 2007 tax years.	UNPAID			IRS EXAM - IRC 263A	43461712
----------	---------	--	--------	--	--	---------------------	----------

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

In re:

BUILDING MATERIALS HOLDING
CORPORATION, *et al.*,¹

Debtors.

Chapter 11

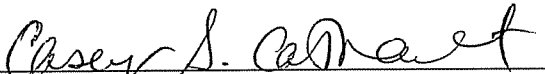
Case No. 09-12074 (KJC)

Jointly Administered


AFFIDAVIT OF SERVICE

STATE OF DELAWARE)
) SS
NEW CASTLE COUNTY)

Casey S. Cathcart, an employee of the law firm of Young Conaway Stargatt & Taylor, LLP, co-counsel to the above-captioned debtors, being duly sworn according to law, deposes and says that on August 6, 2009, she caused a copy of the **Supplemental Declaration of Glenn M. Farrell in Support of Debtors' Application Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code for an Order Authorizing the Debtors to Retain and Employ KPMG LLP as Auditors and Tax Advisor *Nunc Pro Tunc* to the Petition Date, and Waiving Certain Requirements of Local Rule 2016-2** to be served as indicated upon the parties identified on the attached service list.


Casey S. Cathcart

SWORN TO AND SUBSCRIBED before me this 6th day of August, 2009.



Notary Public
My Commission Expires
DEBBIE ELLEN EASKIN
NOTARY PUBLIC
STATE OF DELAWARE
My commission expires Dec. 21, 2012

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.

2002 SERVICE LIST
BUILDING MATERIALS HOLDING CORPORATION
8/6/2009

David G. Aelvoet, Esq.
Linebarger Goggan Blair & Sampson LLP
Travis Building, 711 Navarro, Suite 300
San Antonio, TX 78205
(Counsel to Bexar County)
First Class Mail

Christopher M. Alston, Esq.
Foster Pepper PLLC
1111 Third Avenue, Suite 3400
Seattle, WA 98101
(Counsel to JELD-WEN, inc.)
First Class Mail

Brian W. Bisignani, Esq.
Post & Schell, P.C.
17 North 2nd Street, 12th Floor
Harrisburg, PA 17101-1601
(Counsel to Aon Consulting)
First Class Mail

Robert McL. Boote, Esq.
Ballard Spahr Andrews & Ingersoll, LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103-7599
(Counsel to Westchester Fire Insurance
Company and ACE USA)
First Class Mail

David Boyle
Airgas, Inc.
259 Radnor-Chester Road, Suite 100
P.O. Box 6675
Radnor, PA 19087-8675
First Class Mail

Andrew Cardonick, Esq.
Greenberg Traurig, LLP
77 West Wacker Drive, Suite 3100
Chicago, IL 60601
(Counsel to Grace Bay Holdings, II, LLC)
First Class Mail

Scott T. Citek, Esq.
Lamm & Smith, P.C.
3730 Kirby Drive, Suite 650
Houston, TX 77098
(Counsel to Bay Oil Company)
First Class Mail

Scott D. Cousins, Esq.
Dennis A. Melero, Esq.
Greenberg Traurig, LLP
1007 North Orange Street, Suite 1200
Wilmington, DE 19801
(Counsel to Grace Bay Holdings, II, LLC)
Hand Delivery

Raniero D. D'Aversa, Jr., Esq.
Laura D. Metzger, Esq.
Weston T. Eguchi, Esq.
Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue
New York, NY 10103-0001
(Counsel to Rabobank International)
First Class Mail

Tobey M. Daluz, Esq.
Joshua E. Zugerman, Esq.
Ballard Spahr Andrews & Ingersoll, LLP
919 North Market Street, 12th Floor
Wilmington, DE 19801
(Counsel to Westchester Fire Insurance
Company and ACE USA)
Hand Delivery

2002 SERVICE LIST
BUILDING MATERIALS HOLDING CORPORATION
8/6/2009

Robert J. Dehney, Esq.
Erin R. Fay, Esq.
Morris Nichols Arsht & Tunnell LLP
1201 North Market Street, 18th Floor
P.O. Box 1347
Wilmington, DE 19899-1347
(Counsel to D.R. Horton, Inc.)
Hand Delivery

John P. Dillman, Esq.
Linebarger Goggan Blair & Sampson LLP
P.O. Box 3064
Houston, TX 77253-3064
(Counsel to Cypress-Fairbanks ISD, Fort Bend
County, and Harris County)
First Class Mail

Mark W. Eckard, Esq.
Reed Smith LLP
1201 North Market Street, Suite 1500
Wilmington, DE 19801
(Counsel to CIT Technology Financing
Services, Inc.)
Hand Delivery

Kevin B. Fisher, Esq.
Seth Mennillo, Esq.
Paul, Hastings, Janofsky & Walker LLP
55 Second Street, 24th Floor
San Francisco, CA 94105
(Counsel to Wells Fargo Bank, N.A.)
First Class Mail

John M. Flynn, Esq.
Carruthers & Roth, P.A.
235 North Edgeworth Street
P.O. Box 540
Greensboro, NC 27401
(Counsel to Arrowood Indemnity Company)
First Class Mail

Christopher J. Giaimo, Jr., Esq.
Katie A. Lane, Esq.
Arent Fox LLP
1050 Connecticut Avenue, NW
Washington, DC 20036-5339
(Counsel to the Official Committee of
Unsecured Creditors)
First Class Mail

Paul N. Heath, Esq.
Richards, Layton & Finger, P.A.
One Rodney Square
920 North King Street
Wilmington, DE 19801
(Counsel to Wells Fargo Bank, N.A.)
Hand Delivery

Melody C. Hogston
Royal Mouldings Limited
P.O. Box 610
Marion, VA 24354
First Class Mail

2002 SERVICE LIST
BUILDING MATERIALS HOLDING CORPORATION
8/6/2009

Eric H. Holder, Jr., Esq.
U. S. Attorney General
Department of Justice - Commercial Litigation
Branch
950 Pennsylvania Avenue, N.W.
Washington, DC 20530-0001
First Class Mail

Internal Revenue Service
Attn: Insolvency Section
11601 Roosevelt Blvd., Mail Drop N781
P.O. Box 21126
Philadelphia, PA 19114
First Class Mail

Neal Jacobson, Esq.
Senior Trial Counsel
Securities and Exchange Commission
3 World Financial Center, Suite 400
New York, NY 10281
First Class Mail

Michael J. Joyce, Esq.
Cross & Simon, LLC
913 North Market Street, 11th Floor
Wilmington, DE 19801
(Counsel to Arrowood Indemnity Company)
Hand Delivery

Thomas L. Kent, Esq.
Paul, Hastings, Janofsky & Walker LLP
75 East 55th Street, 1st Floor
New York, NY 10022
(Counsel to Wells Fargo Bank)
First Class Mail

Louisiana-Pacific Corporation
Attn: Bruce J. Iddings
P.O. Box 4000-98
Hayden Lake, ID 83835-4000
(Top 50)
First Class Mail

Cliff W. Marcek, Esq.
Cliff W. Marcek, P.C.
700 South Third Street
Las Vegas, NV 89101
(Counsel to Edward and Gladys Weisgerber)
First Class Mail

Dan McAllister
San Diego County Treasurer-Tax Collector,
Bankruptcy Desk
1600 Pacific Highway, Room 162
San Diego, CA 92101
First Class Mail

Joseph J. McMahon, Jr., Esq.
Office of the United States Trustee
844 King Street, Suite 2207
Lock Box 35
Wilmington, DE 19801
Hand Delivery

Kathleen M. Miller, Esq.
Smith, Katzenstein & Furlow LLP
800 Delaware Avenue, 7th Floor
P.O. Box 410
Wilmington, DE 19801
(Counsel to Airgas, Inc.)
Hand Delivery

2002 SERVICE LIST
BUILDING MATERIALS HOLDING CORPORATION
8/6/2009

Sheryl L. Moreau, Esq.
Missouri Department of Revenue - Bankruptcy
Unit
P.O. Box 475
Jefferson City, MO 65105-0475
First Class Mail

Charles J. Pignuolo, Esq.
Devlin & Pignuolo, P.C.
1800 Bering Drive, Suite 310
Houston, TX 77057
(Counsel to Partners in Building, L.P.)
First Class Mail

Michael Reed, Esq.
McCreary, Veselka, Bragg & Allen, P.C.
P.O. Box 1269
Round Rock, TX 78680
(Counsel to Local Texas Taxing Authorities)
First Class Mail

Jonathan Lee Riches
Federal Medical Center
P.O. Box 14500
Lexington, KY 40512
First Class Mail

Debra A. Riley, Esq.
Allen Matkins Leck Gamble Mallory & Natsis
LLP
501 West Broadway, 15th Floor
San Diego, CA 92101
(Counsel to D.R. Horton, Inc.)
First Class Mail

Randall A. Rios, Esq.
Timothy A. Million, Esq.
Munsch Hardt Kopf & Harr, PC
700 Louisiana, 46th Floor
Houston, TX 77002
(Counsel to Cedar Creek Lumber, Inc.)
First Class Mail

Martha E. Romero, Esq.
Romero Law Firm
6516 Bright Avenue
Whittier, CA 90601
(Counsel to Yuba County)
First Class Mail

George Rosenberg, Esq.
Assistant Arapahoe County Attorney
5334 South Prince Street
Littleton, CO 80166
(Counsel to Arapahoe County Treasurer)
First Class Mail

Bradford J. Sandler, Esq.
Jennifer R. Hoover, Esq.
Jennifer E. Smith, Esq.
Benesch, Friedlander, Coplan & Aronoff LLP
222 Delaware Avenue, Suite 801
Wilmington, DE 19801
(Counsel to the Official Committee of
Unsecured Creditors)
Hand Delivery

Secretary of State
Franchise Tax
Division of Corporations
P.O. Box 7040
Dover, DE 19903
First Class Mail

2002 SERVICE LIST
BUILDING MATERIALS HOLDING CORPORATION
8/6/2009

Secretary of Treasury
Attn: Officer, Managing Agent or General
Agent
P.O. Box 7040
Dover, DE 19903
First Class Mail

Securities & Exchange Commission
Attn: Christopher Cox
100 F Street, NE
Washington, DC 20549
First Class Mail

Securities & Exchange Commission
Bankruptcy Unit
Attn: Michael A. Berman, Esq.
450 Fifth Street NW
Washington, DC 20549
First Class Mail

Ellen W. Slights, Esq.
Assistant United States Attorney
U.S. Attorney's Office
1007 Orange Street, Suite 700
P.O. Box 2046
Wilmington, DE 19899
Hand Delivery

Kimberly Walsh, Esq.
Assistant Attorney General
Texas Comptroller of Public Accounts,
Bankruptcy & Collections Division
P.O. Box 12548
Austin, TX 78711-2548
First Class Mail

Elizabeth Weller, Esq.
Linebarger Goggan Blair & Sampson LLP
2323 Bryan Street, Suite 1600
Dallas, TX 75201
(Counsel to Dallas County and Tarrant County)
First Class Mail

Joanne B. Wills, Esq.
Sally E. Veghte, Esq.
Klehr, Harrison, Harvey, Branzburg & Ellers
LLP
919 Market Street, Suite 1000
Wilmington, DE 19801
(Counsel to Rabobank International)
Hand Delivery