

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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IN RE:

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

Debtors.

Chapter 11

Case No. 09-12074 (KJC)

Jointly Administered

CLERK
US BANKRUPTCY COURT
DISTRICT OF DELAWARE

VERIFIED STATEMENTS OF CONNECTIONS

I, DALE B. RYCRAFT JR., ESQ., declare under penalty of perjury:

1. I am an attorney and sole principle of the RYCRAFT LAW OFFICE, located at 2470 St. Rose Parkway, Suite 102, Henderson, Nevada 89074 (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 (Collection Attorney) 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 patties 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

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.

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 confirms conflicts by reviewing its client base** [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 **review** identified the following connections:

8. **WESTLAND ENTERPRISES**

9. I, being the only **principal, director, and officer** of, and the only professional employed by, the Firm, insofar as I have been able to ascertain, do NOT hold or represent 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, partner, director, officer, etc.**] 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 \$ **4,897.31** 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 or 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 a party** to an agreement for indemnification with certain of the Debtors.

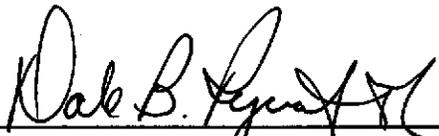
13. If the Firm is not a law firm, the following is a list of all payments which the Firm received from the Debtors during the year prior to the Debtors' bankruptcy filings:
NOT APPLICABLE – Firm is a law firm.

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: August 13th, 2009



DALE B. RYCRAFT JR., ESQ.

ATTORNEY FEE AGREEMENT

KBI Stucco dba SelectBuild
KBI Construction dba SelectBuild
C Construction dba SelectBuild
5893 Hwy 95
Mohave Valley, AZ 86446

Matter Description: SelectBuild (Arizona) v. Matthews Homes, Inc.
Project: Bullhead City Copper Bluffs
Matter ID #: 1046-003

SelectBuild (KBI Stucco dba; KBI Construction dba; and C Construction dba) (the "Client") hereby agrees to retain Dale B. Rycraft Jr. P.C. d/b/a Rycraft Law Office (the "Firm") to provide legal services in connection with the above referenced matter (the "Matter"). The Firm shall provide those legal services reasonably required to represent the Client, and shall take all reasonable steps necessary to keep Client informed of progress and to respond to Client's inquiries. Client shall be truthful with the Firm, cooperate with the Firm, keep the Firm informed of developments, abide by the terms of this Agreement, pay the Firm's fees as set forth in monthly billing statements on time and keep the Firm advised of Client's current address, telephone number, and other contact information. The following terms shall govern the legal services to be provided by the Firm on behalf of the Client.

1. **RETAINER:** The Firm, upon receipt of a fully signed copy of this Agreement and a retainer in the amount of \$0.00, agrees to represent Client in connection with the Matter. Until a fully signed copy of this Agreement, along with the Retainer, is received by the Firm, the Firm shall have no obligation to provide legal services or otherwise represent the Client. The firm will deposit the Retainer into the Firm's trust account to be used to pay attorney fees, costs and expenses incurred providing legal services pursuant to this Agreement. Client hereby authorizes the Firm to withdraw sums from the trust account to pay the same. Any unused portion of the Retainer shall be refunded to the Client at the conclusion of the Firm's representation of the Client in connection with the Matter.
2. **FEES:** Client agrees to pay for legal services provided by the Firm at the following hourly rates:

Dale B. Rycraft Jr.	\$300 per hour
Associates	\$225 per hour
Paralegals	\$150 per hour

Time is billed in minimum units of one-tenth (1/10th) of an hour. From time to time it may be necessary to increase hourly rates. The Firm, however, will not increase the foregoing rates without first providing notice to the Client regarding its intent to do so.

3. **COSTS AND EXPENSES:** In addition to paying attorney fees, Client shall reimburse the Firm for all costs and expenses incurred hereunder, including but not limited to, filing fees and any other fee fixed by law or assessed by courts or other agencies, process server fees, court reporter fees, messenger and delivery fees, copy service charges, postage, in-office photo-copying at the rate of \$.15 per page, investigation expenses, legal research expenses, consultant fees, expert witness fees and other related expenses. Client hereby authorizes the Firm to incur all reasonable costs and expenses for sums under \$500.00. The Firm shall not hire any investigators, consultants, or expert witnesses, nor shall it incur any expense in excess of \$500.00, without first obtaining the Client's consent.



Client



Firm

4. **INVOICES:** The Firm will invoice the Client monthly, or more frequently if necessary under the circumstances, on a time-expended basis. Client shall pay the Firm's invoices within 20 days of the invoice date. The amount of each invoice will first be paid out of the Retainer. Whenever the Retainer is reduced to a balance of only \$500.00, the Client will replenish the Retainer to the original amount specified above or to a different amount as required by the circumstances and requested by the Firm. Client understands, acknowledges and agrees that the Firm will only bill against a Retainer. Client agrees that if the Retainer is not replenished to the amount requested by the Firm within 15 days of the date of notice requesting the replenishment, the Firm may cease providing services under this Agreement and the Client hereby consents that under such circumstances the Firm may vacate or continue, at the Firm's discretion, any court appearance that may be scheduled in connection herewith. If the Firm is required to sue the Client to collect any portion of its attorney fees or costs, the action shall be governed by Nevada law and shall be venued in the 8th Judicial District Court, Clark County, Nevada. The prevailing party in any such action shall be entitled to an award of its reasonable legal fees and costs incurred in connection therewith.
5. **ATTORNEY'S LIEN:** Client hereby grants the Firm a lien on any and all claims or causes of action that are the subject of the Firm's representation under this Agreement. The Firm's lien will be for any sums due and owing to the Firm at the conclusion of the Firm's services. The lien shall attach to any recovery Client may obtain, whether by arbitration award, judgment, settlement or otherwise.
6. **DISCHARGE AND WITHDRAWAL:** Client may discharge the Firm at any time. The Firm may withdraw with the Client's consent or for good cause. Good cause includes Client's breach of this Agreement (including failure to pay the Firm's fee timely or to replenish the Retainer as required herein). Client's refusal to cooperate with the Firm or to follow the Firm's advice on a material matter or any other fact or circumstance that would render the Firm's continuing representation unlawful or unethical.
7. **CONCLUSION OF SERVICES:** When the Firm's services conclude, all unpaid charges shall become immediately due and payable. After the Firm's services conclude, to the fullest extent provided under Nevada law, the Firm shall have the right to retain the Client's file until Client pays the balance outstanding to the Firm. Upon payment in full, the Firm will return to Client any unused Retainer or other property in the Firm's possession, and provide the Client with a copy of the Client's file upon request and payment of shipment costs, if any, related to such request.
8. **DISCLAIMER OF GUARANTEE:** Nothing in this Agreement and nothing in the Firm's invoices to Client will be construed as a promise or guarantee about the outcome of Client's Matter. The Firm makes no such promises or guarantees and Client understands that the Firm has not and cannot guarantee any results. Any expressions by the Firm about the outcome of the Client's Matter are an expression of opinion only.
9. **MISCELLANEOUS:** Client represents and agrees that it has had other counsel review and advise it with respect to this Agreement, or has declined such advice, despite the opportunity to do so. If any term, provision or condition of this Agreement is held to be invalid, void or unenforceable by a court or forum of competent jurisdiction, then the remaining provisions shall continue in full force and effect. Nothing contained in this Agreement shall create a contractual relationship or a cause of action in favor of a third party against the Firm. The individual executing this Agreement warrants that he/she has read and understands its provisions, and that he/she is authorized to sign on behalf of and bind the Client.

DATED this 12 day of September 2008.

SELECTBUILD (All Entities List Above)

By: _____

Its: CREDIT MGR.

DALE B. RYCRAFT JR. P.C. d/b/a
RYCRAFT LAW OFFICE

By: _____

Its: PRESIDENT

ATTORNEY FEE AGREEMENT

SelectBuild Nevada, Inc.
Attn: Claudia Martinez
4339 Corporate Center Dr., Suite 108
N. Las Vegas, NV 89030

Matter Description: SelectBuild v. M.C. Builders
Matter ID #: 1046-001

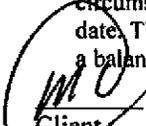
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Client

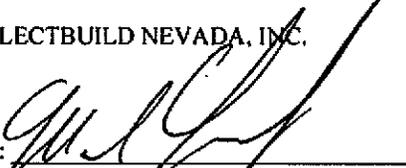

Firm

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DATED this 30TH day of July, 2008.

SELECTBUILD NEVADA, INC.

By: 

Its: Vice President

DALE B. RYCRAFT JR. P.C. d/b/a
RYCRAFT LAW OFFICE

By: 

Its: President