

**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)
Debtors.)	
)	Jointly Administered
)	
)	Ref. Docket No. 16

**ORDER (A) AUTHORIZING THE DEBTORS TO PAY, IN THE ORDINARY COURSE
OF BUSINESS, CLAIMS FOR GOODS ORDERED PREPETITION AND DELIVERED
POSTPETITION; (B) AUTHORIZING THE DEBTORS TO PAY CERTAIN
PREPETITION CLAIMS OF SHIPPERS, WAREHOUSEMEN,
MECHANIC'S/MATERIALMAN'S LIEN CLAIMANTS, AND JOINT CHECK
BENEFICIARIES; AND (C) AUTHORIZING FINANCIAL INSTITUTIONS TO HONOR
AND PROCESS RELATED CHECKS AND TRANSFERS**

Upon consideration of the motion (the "***Motion***") of Building Materials Holding Corporation and its affiliates, as debtors and debtors in possession (collectively, the "***Debtors***") for entry of an order (a) authorizing, but not requiring, the Debtors to pay, in the ordinary course of business, claims for goods ordered prepetition and delivered postpetition; (b) authorizing, but not requiring, the Debtors to pay, in the ordinary course of business, certain prepetition claims of shippers, warehousemen, mechanic's/materialman's lien claimants, and joint check beneficiaries; and (c) authorizing banks and other financial institutions to receive, process, honor, and pay checks or electronic transfers used by the Debtors to pay the foregoing and to rely on the representations of such Debtors as to which checks are issued and authorized to be paid in

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.

accordance with this Order, all as set forth in the Motion; and upon the Street Declaration² in support thereof; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. sections 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion and having considered the statements in support of the relief requested therein at a hearing before the Court (the "**Hearing**"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Motion is granted as set forth below.
2. All undisputed obligations relating to the Outstanding Orders are granted administrative expense priority status pursuant to section 503(b)(9) of the Bankruptcy Code.
3. The Debtors are authorized, but not directed, to pay all undisputed amounts relating to Outstanding Orders in the ordinary course of business consistent with the parties' customary practices in effect prior to the Petition Date.
4. The Debtors are authorized, but not directed, to pay the prepetition amounts owed on account of Shipping Charges, Warehousing Charges, and Materialman's Lien Claims in an aggregate amount not to exceed \$1,133,000; *provided, however*, that the Debtors are not

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

authorized to pay Materialman's Lien Claims unless the applicable Materialman's Lien Claimant has perfected its claim or is capable of perfecting or may be capable of perfecting in the future, one or more liens in respect of such claim; *provided further, however*, that such payment shall not be deemed (i) an admission by the Debtors of the extent, validity, perfection, or possible avoidability of the related liens, claims or payments, and (ii) a waiver of the Debtors' rights regarding the extent, validity, perfection, or avoidability of the related liens, claims, or payments. The Debtors' right to challenge the extent, validity, perfection, or avoidability of such liens, claims, or payments is hereby expressly reserved.

5. The Debtors are authorized, but not directed, to continue to utilize the Joint Check Procedures in the ordinary course of business and to satisfy any outstanding Joint Check Claims by way of such Joint Check Procedures.

6. All applicable banks and other financial institutions are hereby authorized, when requested by the Debtors, to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors under this Order whether presented prior to or after the Petition Date. Such banks and financial institutions may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this order, and such bank or financial institution shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests in respect of payments made in accordance with this Order that are dishonored or rejected.

8. Absent payment of claims pursuant to this Order, nothing herein shall change the nature or priority of the underlying claims.

9. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall create, nor is intended to create, any rights in favor of, or enhance the status of any claim held by, any person.

10. The Debtors' satisfaction of any liens pursuant to this order shall not be deemed to be an admission that such liens are valid liens and the Debtors retain the right to contest the extent, validity, or perfection of such liens or to seek the avoidance of such liens.

11. Nothing contained in this Order shall be deemed to constitute an assumption or adoption of any executory contract or prepetition or postpetition agreement between the Debtors and the holder of a Outstanding Order, Possessory Claim, or Joint Check Claim, or to require the Debtors to make any of the payments authorized herein.

12. The authorization granted hereby to pay the Outstanding Orders, Possessory Claims, and Joint Check Claims shall not create any obligation on the part of the Debtors or their officers, directors, attorneys, or agents to pay the Outstanding Orders, Possessory Claims or Joint Check Claims, and nothing contained in this Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect the Outstanding Orders, Possessory Claims, or Joint Check Claims to the extent they are not paid.

13. Nothing in this Order shall be deemed either a grant of administrative priority expense status to, or authority to pay, any amounts that are disputed by the Debtors.

14. Nothing contained in this Order shall be construed as a waiver by the Debtors of their rights to contest any claim or invoice of an Outstanding Order Supplier, Joint Check Beneficiary, or the holder of a Possessory Claim under applicable law.

15. Nothing in this Order shall prohibit the Debtors from seeking Court authority to increase the prepetition amounts authorized to be paid hereunder.

16. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

17. Rule 6003(b) of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") has been satisfied.

18. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of applicable rules.

19. Pursuant to Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

20. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Dated: Wilmington, Delaware
June 17, 2009



Kevin J. Carey
Chief United States Bankruptcy Judge