

EXHIBIT A

(Chart of Payments)

EXHIBIT B

(2014 Affidavit of J. Brand)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION - DAYTON**

In re:) Chapter 11
)
DYF INDUSTRIES, INC., et al.¹) Case No. 04-_____
) (Jointly Administered)
Debtors.)
) Honorable _____

**AFFIDAVIT OF JULIA W. BRAND IN ACCORDANCE WITH
SECTION 327 OF THE BANKRUPTCY CODE AND RULE 2014
OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

Julia W Brand, being duly sworn, deposes and says:

1. I am a partner of the firm of Katten Muchin Zavis Rosenman (“KMZR”), located at 2029 Century Park East, Suite 2600, Los Angeles, CA 90067. I am admitted to practice and am a member in good standing of the Bars of the State of California, the United States District Court for the Central, Northern, Southern and Eastern Districts of California, and the Ninth Circuit Court of Appeals.

2. I make this affidavit (the “Affidavit”) in support of the Debtors’ Application for Order Authorizing Debtors to Retain and Employ Katten Muchin Zavis Rosenman as Counsel (the “Application”), which is made in accordance with section 327 of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

3. The above captioned debtors and debtors in possession (collectively, the “Debtors”) desire to retain and employ KMZR as their counsel, under a general retainer in

¹ The other debtors and debtors-in-possession include the following: Vanguard Technical Solutions, Inc., Mid-West Automation Enterprises, Inc., Mid-West Automation Systems, Inc., Assembly Technology and Test, Inc., Detroit Tool and Engineering Company, Advanced Assembly Automation, Inc., Assembly Machines, Inc., Hansford Manufacturing Corporation, DTI Leominster Subsidiary, Inc., DTI Pennsylvania Subsidiary, Inc., DTI Massachusetts Subsidiary, Inc., DTI Lebanon Subsidiary, Inc., and DT Resources, Inc.

accordance with the applicable terms of the Case Orders,¹ to represent the Debtors in all phases of these chapter 11 cases, pursuant to section 327 of the Bankruptcy Code and Bankruptcy Rule 2014. KMZR is particularly well suited for the type of representation required by the Debtors. KMZR is a national law firm with an extremely broad-based practice including substantial expertise in all areas of the law that may give rise to issues in these cases, including, but not limited to, bankruptcy, securities, corporate, real estate, finance, litigation, labor, and tax law. KMZR's bankruptcy group employs 14 full-time attorneys practicing nationwide. In addition, KMZR is familiar with the business of the Debtors and has experience in numerous large chapter 11 cases. Accordingly, KMZR possesses the requisite expertise and background to handle matters that are likely to arise in these chapter 11 cases.

4. KMZR contemplates that it will render the following general legal services:
 - a. advising the Debtors of their rights, powers and duties as Debtors and debtors-in-possession;
 - b. advising the Debtors concerning, and assisting in the negotiation and documentation of, financing agreements, debt restructurings, cash collateral arrangements, asset sales, and related transactions;
 - c. reviewing the nature and validity of liens asserted against the property of the Debtors and advising the Debtors concerning the enforceability of such liens;
 - d. preparing on behalf of the Debtors all necessary and appropriate applications, motions, pleadings, draft orders, notices, schedules, and other documents, and reviewing all financial and other reports to be filed in these chapter 11 cases;
 - e. advising the Debtors concerning, and preparing responses to, applications, motions, pleadings, notices and other papers that may be filed and served in those chapter 11 cases;

¹ Terms not otherwise defined herein shall have the meaning ascribed in the Application.

- f. counseling the Debtors in connection with the formulation, negotiation, and promulgation of plans of reorganization or liquidation and related documents; and
- g. performing all other legal services for and on behalf of the Debtors that may be necessary or appropriate in the administration of these chapter 11 cases, including advising and assisting the Debtors with respect to resolving disputes with any creditor constituencies that may arise, debt restructurings, stock or asset dispositions, mergers, or other strategic transactions, and legal issues involving general corporate, bankruptcy, labor, employee benefits, securities, tax, finance, real estate, and litigation matters.

5. KMZR intends to record its time for the foregoing general services into fifteen specific categories, and such other additional categories as may prove necessary:

- (1) Postpetition General;
- (2) KMZR Retention and Fee Applications;
- (3) Other Professional Retention and Fee Applications;
- (4) Cash Collateral/DIP Financing;
- (5) Plan/Disclosure Statement;
- (6) United States Trustee - Reports/Meetings;
- (7) Creditors Committees;
- (8) Creditor Inquiries/Negotiations/Settlements;
- (9) Secured Creditors;
- (10) Labor, Pension and Retirement Matters;
- (11) Equity Interests;
- (12) Asset Sales;
- (13) Leases and Executory Contracts;
- (14) Expenses; and
- (15) Travel Time.

6. KMZR is willing to serve as counsel for the Debtors in these chapter 11 cases and to accept compensation for professional services rendered (on an hourly basis) and reimbursement of expenses incurred in accordance with sections 328, 330, and 331 of the Bankruptcy Code and applicable provisions of both the Bankruptcy Rules and the Local Rules. KMZR intends to charge for its legal services in these chapter 11 cases in accordance with its

usual and customary billing practices. KMZR's current hourly rates for its professionals and paraprofessionals employed in its offices are set forth below:²

<u>Billing Category</u>	<u>Range</u>
Partners	\$300-\$650
Of Counsel	\$300-\$600
Associates	\$180-\$440
Legal Assistants	\$95 - \$185

7. The names, positions, and current hourly rates of the KMZR professionals presently expected to have primary responsibility for providing services to Debtors are as follows: Julia W. Brand, (Partner) — \$385/hour; Kenneth J. Ottaviano (Partner) — \$380/hour; and Matthew A. Olins (Associate) — \$230/hour. In addition, from time to time, it may be necessary for other KMZR professionals to provide services to the Debtors.

8. These hourly rates are subject to periodic adjustments to reflect economic and other conditions. KMZR will maintain detailed records of any actual and necessary costs incurred in connection with the aforementioned legal services. KMZR intends to apply to the Court for compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, but, pending such applications, KMZR requests payment of its monthly fees and expenses as more fully set forth herein and in the "Motion for Administrative Order under Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members" filed herewith.

² The rates charged by each KMZR professional differ based on, among other things, such professional's level of experience and the rates normally charged in the location of the office in which such professional is resident.

9. The Debtors have agreed, subject to approval of the Court, to pay KMZR, upon such terms and conditions.

10. Neither I, KMZR, nor any partner or associate thereof, insofar as I have been able to ascertain, hold or represent any interest adverse to the Debtors or their estate, creditors, equity or security holders. Further, insofar as I have been able to ascertain, other than in connection with these chapter 11 cases and in connection with certain pre-petition real estate matters, KMZR has no connection (connection being defined as a professional relationship) with the Debtors, their creditors, or any other party in interest herein, or their respective attorneys or accountants, or the United States Trustee or any person employed in the Office of the United States Trustee, except as set forth below. Accordingly, KMZR is a "disinterested person" within the meaning of sections 101(14) and 327 of the Bankruptcy Code.

11. From time to time, KMZR has in the past represented, may at present represent, and may in the future represent certain creditors and other parties in interest, or interests adverse to such creditors or parties in interest, in matters unrelated to the Debtors' chapter 11 case. For example, KMZR has in the past represented, and may at present represent, the following lenders of the Debtors in matters not related to the Debtors' chapter 11 cases: Bank of America, USBancorp, National City Bank, and Bear Stearns & Co. For each of these lenders, KMZR has obtained a limited waiver of any potential conflicts of interest pursuant to which such lenders have waived any potential conflicts regarding KMZR's representation of the Debtors in the restructuring of their debt. The waivers do not include litigation against such entities. In the event that, at any point in these cases, there is a need for the Debtors to commence litigation directly against such entities, Coolidge, Wall, Womsley and Lombard ("*Coolidge*"), who has been retained by the Debtors as local counsel, will prosecute such litigation. Local counsel will

be preparing and filing an application to be retained in these cases along with an affidavit of disinterestedness.

12. In addition, KMZR has in the past represented, may at present represent, and may in the future represent the following unsecured creditors in matters not related to the Debtors' chapter 11 cases: Citicorp, Bank One, GE Polymershapes, Dell Computer Corporation, Lucent Enterprises, Analog Devices, Inc., MCI Worldcom, ADP, Moody's Investor Service, Blackwell Sanders, Edwards & Angell, Financial Relations, Right Management, Association for Manufacturing, Bowne of Chicago, Digital Controls Corporation, Epson America Inc., City Wide Development Corp., Earle M. Jorgensen Co., PriceWatershouseCoopers, Best Products Company, CNA Commercial Insurance, Rexel, and Pitney Bowes Credit Corp. In the event that, at any point in these cases, there is a need for the Debtors to commence litigation directly against such entities, Coolidge will prosecute such litigation.

13. In addition, KMZR has in the past represented, may at present represent, and may in the future represent the following equity holders in matters not related to the Debtors' chapter 11 cases: Northwestern Mutual Insurance, Ironwood Capital Management LLC, David Babson, Smith Barney Asset Management, Royce & Associates, Inc., and Transamerica Investment Management L.L.C. In the event that, at any point in these cases, there is a need for the Debtors to commence litigation directly against such entities, Coolidge will prosecute such litigation.

14. Furthermore, KMZR is conducting a continuing inquiry to ascertain whether there exists any situation which would affect, or appear to affect, KMZR's status as a "disinterested" person. I will file promptly a supplemental affidavit with this Court after this inquiry is completed, if additional disclosure is required.

15. KMZR has no agreement with any other entity to share with such entity any compensation received by KMZR in connection with these chapter 11 cases.

16. Prior to the Petition Date, KMZR represented the Debtors in connection with, among other things, the negotiation and documentation of proposed financing agreements and debt restructurings along with the preparation and filing of petitions under chapter 11 of the Bankruptcy Code. All fees and expenses were duly paid as of the Petition Date (the "Pre-Petition Fees"). As such, KMZR is not a creditor of the Debtors. Within the one year period prior to the Petition Date, KMZR has received approximately \$1,346,810.20 from the Debtors in payment for legal services rendered and expenses incurred on behalf of the Debtors, approximately \$425,000 of which was received in payment for legal services rendered and expenses incurred in anticipation of the filing of these cases, and \$550,000 of which is being held by KMZR as a retainer (the "Retainer").² A summary of all payments received by KMZR within ninety days of the date hereof, invoices to which those payments were applied, along with all retainers received, is attached to the Application as Exhibit A.

17. I have advised the Debtors of KMZR's willingness to serve as their counsel. KMZR intends to charge for its legal services in these chapter 11 cases in accordance with its usual practice, applying its customary hourly rates for matters of this type, and charging for all expenses and other disbursements necessarily incurred and customarily billed to its clients.

18. For the reasons set forth above, I and the other attorneys employed by KMZR are well qualified to act as counsel for the Debtors, and neither I, KMZR, nor any partner or

² Pro-Petition Date expenses and attorney time accrued but not recorded on KMZR's computerized time/expense system until after the Petition Date will be offset against the Retainer. KMZR estimates such time and expenses aggregate approximately \$350,000, thereby reducing the Retainer by such amount. Pursuant to agreement with the US Trustee, KMZR will write-off \$52,254.51 of pre-petition fees and place that amount in the retainer.

associate of KMZR will, while employed by the Debtors, represent in connection with these chapter 11 cases, any entity holding an interest adverse to the Debtors or their estates.

s/ Julia W. Brand

Julia W. Brand

Sworn to and subscribed before me
this 12th day of May, 2004.

s/ Barbara B. Piatt

Notary Public

My commission expires on: April 1, 2007