

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:

CEI ROOFING, INC., et al.

Debtors

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§
§
§
§
§

**CASE NO. 04- 35113
(Joint Administration Requested)**

Hearing Date and Time: To Be Set

**AFFIDAVIT OF SANDRA R. STERNBERG IN SUPPORT OF THE DEBTORS'
APPLICATION FOR THE ENTRY OF AN ORDER AUTHORIZING
THE EMPLOYMENT AND RETENTION OF SITRICK AND COMPANY INC.
AS CORPORATE COMMUNICATIONS CONSULTANTS**

STATE OF COLORADO

COUNTY OF ARAPAHOE

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Sandra R. Sternberg, being duly sworn, deposes and says:

1. I am member of the firm of Sitrick and Company Inc. ("Sitrick") and am duly authorized to make this Affidavit on behalf of Sitrick. I make this Affidavit in support of the Expedited Application for an Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code Authorizing the Employment and Retention of Sitrick and Company Inc. as Corporate Communications Consultants for Debtors and Debtors in Possession (the "Application"). The facts set forth in this Affidavit are personally known to me and, if called as witness, I could and would testify thereto. Capitalized terms not otherwise defined herein have the meanings given to them in the Application.

2. To the best of my knowledge and belief, insofar as I have been able to ascertain after reasonable inquiry, neither I, not Sitrick, nor any officer or employee thereof, has any connection with the Debtors, their creditors, the United States trustee or any other party with an

actual or potential interest in these Chapter 11 Cases or their respective attorneys or accountants, except as set forth below or in Paragraph 4:

- (a) Sitrick is not employed by, and has not been employed by, any entity other than the Debtors in matters related to these Chapter 11 Cases.
- (b) The Debtors do not owe Sitrick any amount for services performed before the Petition Date.
- (c) From time to time, Sitrick has provided services and likely will continue to provide services, to certain creditors of the Debtors and various other parties adverse to the Debtors in matters unrelated to these Chapter 11 Cases. As described below, however, Sitrick has undertaken a detailed search to determine, and to disclose, whether it is providing or has provided services to any significant creditors, insiders, or other parties in interest in such unrelated matters.
- (d) Sitrick provides services in connection with numerous cases, proceedings and transactions unrelated to these Chapter 11 Cases. These unrelated matters involve numerous attorneys, financial advisors, and creditors, some of which may be claimants or parties with actual or potential interests in these cases or may represent such parties.
- (e) Sitrick personnel may have business associations with certain creditors of the Debtors unrelated to these Chapter 11 Cases. In addition, in the ordinary course of its business, Sitrick may engage counsel or other professionals in unrelated matters who now represent, or who may in the future represent, creditors or other interested parties in these cases.

3. To check and clear potential conflicts of interest in these cases, Sitrick researched its client database for the past five years to determine whether it had any relationships with the following entities (collectively, the “Interested Parties”):

- (a) the Debtors;
- (b) certain of the Debtors’ trade names;
- (c) the Debtors’ largest unsecured creditors on a consolidated basis as identified in the Debtors’ Chapter 11 petitions;
- (d) other material trade creditors of the Debtors;
- (e) the professionals that the Debtors have identified for employment in these Chapter 11 Cases;

- (f) the Debtors' material prepetition secured creditors;
- (g) the Debtors' proposed postpetition lenders and their professionals; and
- (h) other significant parties in interest.

4. The identities of the Interested Parties were provided to Sitrick by the Debtors and are set forth on **Schedule 1** attached hereto. To the extent that Sitrick's research of its relationships with the Interested Parties indicated that Sitrick has been or currently is employed by any of these entities in matters unrelated to these Chapter 11 Cases, the identities of these entities are set forth on **Schedule 2** attached hereto.

5. Despite the efforts described above to identify and disclose Sitrick's connection with parties in interest in these cases, because the Debtors are a large enterprise with thousands of creditors and other relationships, Sitrick is unable to state with certainty that every client relationship or other connection has been disclosed. In this regard, if Sitrick discovers additional information that require disclosure, Sitrick will file a supplemental disclosure with the Court.

6. To the best of my knowledge, information and belief, insofar as I have been able to ascertain after reasonable inquiry, neither I, nor Sitrick, nor any officer or employee thereof, holds or represents any interest adverse to the Debtors or their estates in the matters for which Sitrick is proposed to be retained. Accordingly, I believe that Sitrick is a "disinterested person," as defined in Section 101(14) of the Bankruptcy Code and as required by Section 327(a) of the Bankruptcy Code.

7. Pursuant to the terms and conditions of the Engagement Letter and subject to the Court's approval, Sitrick intends to (a) charge for its professional services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date services are rendered, and (b) seek reimbursement of actual and necessary out-of-pocket expenses (collectively, the "Fee Structure"). Sitrick will maintain detailed, contemporaneous records of

time and any actual and necessary expenses incurred in connection with the rendering of the corporate communications consulting services described above by category and nature of the services rendered. The names and hourly rates of the Sitrick professionals expected to have primary responsibility for providing services to the Debtors are listed on **Schedule 3** attached hereto and incorporated herein by reference.

8. Notwithstanding any contrary provisions in the Engagement Letter, all of Sitrick's fees and expenses in these cases will be subject to approval of the Court upon proper application by Sitrick in accordance with Sections 328, 330, and 331 of the Bankruptcy Code, Federal Rule of Bankruptcy Procedure 2016, the fee and expense guidelines established by the United States trustee, and any other applicable requirements.

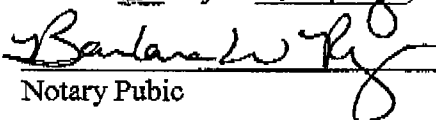
9. On or about April 30, 2004, the Debtors paid a \$110,000.00 retainer to Sitrick as payment for, among other things, estimated fees, production costs, travel expenses, and shipping charges through the Petition Date (the "Retainer"). The Debtors do not owe Sitrick any amount for services performed before the Petition Date.

10. The proposed employment of Sitrick is not prohibited by or improper under Bankruptcy Rule 5002. Sitrick and the professionals it employs are qualified to represent the Debtors in the matters for which Sitrick is proposed to be employed.

Dated: May 3, 2004


Sandra R. Sternberg

Sworn to and subscribed before
me this 3rd day of May, 2004


Notary Public

[SEAL]

BARBARA W. RYON
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires June 12, 2007

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SCHEDULE 1

GENERAL ROOFING SERVICES, INC.
CONFLICT CHECK

CLIENT

General Roofing Services, Inc.
Anthony Roofing, Ltd.
Avon Roof Services, Inc.
B&R Roofing Company
BE Merger Co.
Blackmore & Buckner Roofing, Inc.
C.E.I. Florida, Inc.
C.E.I. Roofing, Inc.
CEI West Roofing Company, Inc.
Cyclone Roofing Company
Dakota Leasing, Inc.
GRI of South Florida, Inc.
GRI of West Florida, Inc.
generalRoofing National Services, Inc.
GRS Vendor Relations, Inc.
General Roofing Acquisition Corp.
Harrington-Scanlon Roofing Co., Inc.
Register Contracting Company, Inc.
RoofCare, Inc.
RoofCare Construction Services, Inc.
Roofers, Incorporated
S&B Roofing Services, Inc.
Specialty Associates, Inc.
SAI Wholesale Distributors, Inc.
Therrel-Kizer Roofing, Inc.
Top Concepts, Inc.
Tuckahoe Metal & Roofing, Inc.
United Roofing & Construction, Inc.
Wright-Brown Roofing Company

OFFICERS

David Lionette
Bartley E. Roggensack – CEO/President
Jeffrey K. Burks – COO
Gerard P. Mozian – CFO

SECURED CREDITOR

Republic Bank
GRS Investment Holdings, LLC
Spring Street Partners-II, LP

CREDITORS

Firestone
Allied
GAF
BRADCO
ABC Supply
Suncoast
Sarnifil
Garland
Roofers Supply Greenville
SIPLAST
Soprema
Gulfside
Construction Resource
Deckrite
DuroLast
Carlisle
Seaman
Petersen
Genflex
Northcoast
United
Berridge
JM
Spec

Robert H. Jones, Jr.	1729 6th Street, Berkeley, CA 94710
Charles Miller	5724 Pebble Beach Way, San Luis Obispo, CA 93401
Ben H. Childers III	115 32nd Avenue, Jacksonville, FL 32250
Patrick Butcher	3670 Fawn Drive, Rochester, MI 48036
Joseph Butcher	4811 Orion Road, Rochester, MI 48306

Martin J. Baecker	c/o Butcher & Baecker Construction Co., Inc., 3885 Industrial Drive, Rochester Hills, MI 48309
Stephan Slavik	86 Grosse Pines Drive, Rochester Hills, MI 48309
Martin J. Baecker	c/o Butcher & Baecker Construction Co., Inc., 3885 Industrial Drive, Rochester Hills, MI 48309
Joseph Butcher	4811 Orion Road, Rochester, MI 48306
Patrick Butcher	3670 Fawn Drive, Rochester, MI 48036
Ben H. Childers III	115 32nd Avenue, Jacksonville, FL 32250
Robert H. Jones, Jr.	1729 6th Street, Berkeley, CA 94710
Charles Miller	5724 Pebble Beach Way, San Luis Obispo, CA 93401
Stephan Slavik	86 Grosse Pines Drive, Rochester Hills, MI 48309
Stephan Slavik	86 Grosse Pines Drive, Rochester Hills, MI 48309
Martin J. Baecker	c/o Butcher & Baecker Construction Co., Inc., 3885 Industrial Drive, Rochester Hills, MI 48309
Patrick Butcher	3670 Fawn Drive, Rochester, MI 48036
Joseph Butcher	4811 Orion Road, Rochester, MI 48306
CIVC Partners Fund, L.L.C.	c/o CIVC Partners Fund, L.L.C., 231 South LaSalle Street, Chicago, IL 60697
David R. Brecht	2019 Weatherby Lane, Fresno, TX 77545
Richard D. Oliver	2619 Lakecrest Drive, Pearland, TX 77584
Thomas E. Brown IRA	6072 Wing Lake Road, Bloomfield Hills, MI 46236
Thomas E. Brown, Jr. as Trustee of Thomas E. Brown, Jr. Revocable Living Trust U/T/A 06/16/80	6072 Wing Lake Road, Bloomfield Hills, MI 46236
Stephen A. Buckner	11912 Hollyhock Drive, Fishers, IN 46038
Marilyn Parrish	12345 St. Armands Circle, Carmel, IN 46033
Leslie A. Buckner	11912 Hollyhock Drive, Fishers, IN 46038
George J. Cook	3930 Highcrest, Brighton, MI 48116

John C. Cook	7 Oak Point Landing, Hilton Head, SC 29928
Ronald H. Martin	2121 Durfey Ave., Orange City, FL 32774
J.R. Harrington	13223 Barkley, Overland Park, KS 66209
Frederick E. Holland	1499 Blake Street 7H, Denver, CO 80202
J. Jeffry Kotler	6 School Street Peapack, NJ 07977
Herbert J. Kizer III	20 The Fairway, Woodstock, GA 30188
Rhes V. Low	703 Northview Drive, Laurel, MS 39940
Mitchell D. Mauldin	743 Northview Drive, Laurel, MS 39940
Richard M. Nugent	29 Fox Glen Drive, Stamford, CT 06903
James L. Nugent	33 Hallock's Run, Somers, NY 10589
Richard S. Pineau	5 Laurelford Court, Cockeysville, MD 21030
Gary E. Register	1963 Salt Myrtle Lane, Orange Park, FL 32003
Joanne G. Register	1963 Salt Myrtle Lane, Orange Park, FL 32003
Ben H. Childers III	115 32nd Avenue, Jacksonville, FL 32250
Kevin Scanlon	6608 W. 141st Terrace #2805
Joel A. Thompson	PO Box 576, Edwards, CO 81632
Ann Thompson	PO Box 576, Edwards, CO 81633
Ronald J. Werowinski	1122 W. Rogers Street, West Allis, WI 53227
John Pum	22340 S. Green Links, West Allis, WI 53227
CIVC Partners Fund, L.L.C.	c/o CIVC Partners Fund, L.L.C., 231 South LaSalle Street, Chicago, IL 60697
CIVC Partners Fund, L.L.C.	c/o CIVC Partners Fund, L.L.C., 231 South LaSalle Street, Chicago, IL 60698
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Richard S. Pineau	5 Laurelford Court, Cockeysville, MD 21030
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Joel A. Thompson	PO Box 576, Edwards, CO 81633
Ronald J. Werowinski	11122 W. Rogers Street, West Allis, WI 53227

SCHEDULE 2

**PARTIES IN INTEREST WITH RELATIONSHIPS WITH
SITRICK AND COMPANY INC. UNRELATED TO THESE CHAPTER 11 CASES**

Sitrick and Company Inc. was retained by Republic Financial Corporation to handle public relations matters in connection with the acquisition of generalRoofing Services, Inc. Both parties are aware of the relationship, and Sitrick does not believe that the relationship rises to the level of a conflict.

SCHEDULE 3

HOURLY RATES OF SITRICK AND COMPANY INC.'S PROFESSIONALS
(AS OF MAY, 2004)

Professional	Hourly Rate
Michael Sitrick	\$650
Sandra Sternberg	\$550
Brenda Adrian	\$395
Steven Goldberg	\$365
Maya Pogoda	\$335
Nancy Peck	\$165