

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

In re:

J.L. FRENCH AUTOMOTIVE CASTINGS,
INC., et al.,

Debtors.

)
) Chapter 11
)

) Case No. 09-12445 (KG)
)

) Jointly Administered
) Re: Docket No. 7
)
_____)

**SUPPLEMENTAL DECLARATION OF ANDREW TURNBULL IN SUPPORT OF
APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING RETENTION AND
EMPLOYMENT OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL, INC. AS
INVESTMENT BANKER TO THE DEBTORS AND
DEBTORS-IN-POSSESSION *NUNC PRO TUNC* TO THE PETITION DATE**

I, Andrew Turnbull, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am a Managing Director of Houlihan Lokey Howard & Zukin Capital, Inc. ("Houlihan Lokey") and am duly authorized to make this Supplemental Declaration on behalf of Houlihan Lokey. The facts set forth in this Supplemental Declaration are personally known to me and, if called as a witness, I could and would testify thereto.

2. This Supplemental Declaration is submitted in support of the Application for Entry of an Order Authorizing Retention and Employment of Houlihan Lokey Howard & Zukin Capital, Inc. as Investment Banker to the Debtors and Debtors-in-Possession *Nunc Pro Tunc* to the Petition Date (the "Application") [Docket No. 7].

3. I submitted a Declaration in support of the Application at the time the Application was filed. Subsequently, the United States Trustee (the "UST") filed an Objection to the

Application (the “Objection”), and Houlihan Lokey filed a Response to the Objection (the “Response”). At the UST’s request, the hearing on the Application was continued to September 3, 2009. I understand that the UST has informed counsel for Houlihan Lokey that due to the specific circumstances in these cases and the facts contained in this Supplemental Declaration, the UST will withdraw the Objection.

Houlihan Lokey’s Work on Behalf of the Debtors

4. Houlihan Lokey began its work on behalf of the above-captioned debtors (the “Debtors” or “Company”) well before July 13, 2009 (the “Petition Date”), the date the Debtors filed voluntary petitions for relief under chapter 11. In fact, the Company retained Houlihan Lokey pursuant to an engagement agreement (the “Agreement”) dated as of November 25, 2008.

5. At the time that the Company retained Houlihan Lokey, the Company’s Board of Directors had formed a Special Committee to explore hiring an investment banker. On behalf of Houlihan Lokey, I was involved in the negotiations of the terms of the Agreement with a representative of the Special Committee. Those negotiations were conducted at arms-length.

6. Under the terms of the Agreement, Houlihan Lokey received a Restructuring Monthly Fee¹ of \$150,000 per month for its work prior to the Petition Date. Because no Restructuring Transaction occurred prior to the Petition Date, Houlihan Lokey did not earn or receive the Out-of-Court Restructuring Transaction Fee described in the Agreement.

7. The Agreement provides that following the Petition Date, the Debtors shall pay Houlihan Lokey a Bankruptcy Monthly Fee of \$175,000 per month. Houlihan Lokey also can earn a Bankruptcy Transaction Fee of \$2,100,000 upon the occurrence of an in-court

¹ This and other capitalized terms contained in the Agreement shall have the meaning given to them in the Agreement.

Restructuring Transaction. A Restructuring Transaction includes, among other things, a restructuring that is effected pursuant to a plan of reorganization.

8. Since being retained by the Company, Houlihan Lokey has worked diligently to complete a large number of tasks, and Houlihan Lokey already has provided many of the services described in the Agreement, including, but not limited to, (i) representing the Debtors in structuring and negotiating the consensual restructuring transaction that included assisting with financial analysis and documentation of the transaction through, among other things, the Lock-Up Agreement, Plan of Reorganization and Disclosure Statement; (ii) performing valuation and debt capacity analysis for the Board of Directors in connection with the Plan of Reorganization; (iii) representing the Debtors in structuring and negotiating various amendments and forbearance agreements to existing credit agreements; (iv) pursuing debtor-in-possession (“DIP”) financing alternatives, including representing the Debtors in negotiating and securing a DIP facility from its existing lenders; (v) pursuing, on an ongoing basis, exit financing alternatives; (vi) assisting the Debtors in the development, preparation and distribution of materials and participation in meetings with customers in conjunction with securing customer agreements; (vii) assisting the Debtors in the development and dissemination of due diligence materials to a variety of key constituents and interested parties; and (viii) attending meetings of the Board of Directors, management, professionals, creditors, vendors, customers and other interested parties. Houlihan Lokey continues to perform a number of these activities on an ongoing basis.

Market Comparison of Houlihan Lokey’s Fees

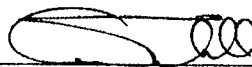
9. Houlihan Lokey’s compensation as set forth in the Agreement is, based on my experience, consistent with market rates for investment bankers in large, complex bankruptcy cases. Moreover, when Houlihan Lokey filed its Response to the Objection, it submitted a Fee

Study (the "Fee Study"), which provided empirical evidence that Houlihan Lokey's proposed fees in these cases are consistent with market rates.

10. The Fee Study, which was attached as Exhibit A to the Response, was prepared by Houlihan Lokey personnel. As explained in the Fee Study, the database, while not exhaustive, is expansive and includes a representative sample of recent corporate bankruptcy cases in multiple domestic jurisdictions. For the Fee Study, Houlihan Lokey included 20 bankruptcy cases that were filed since May 2008 and in which the debtors had between \$100 million and \$500 million in debt. (The Company had approximately \$288 million in prepetition debt.)

11. For the cases included in the Fee Study, the debtors' advisors had an average monthly fee of approximately \$142,600 and an average success or transaction fee of approximately \$2,670,000, which amounted to approximately 0.82% of the debtors' total prepetition debt. In these bankruptcy cases, Houlihan Lokey would be paid a Bankruptcy Monthly Fee of \$175,000 and would be eligible for a Transaction Fee of \$2,100,000, which would amount to approximately 0.73% of the Debtors' total prepetition debt.

Dated: September 1, 2009



Andrew Turnbull