

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re : Chapter 11
: :
UNITED ROAD TOWING, INC. et al., : Case No. 17-10249 (LSS)
: :
Debtors.¹ : Jointly Administered
: :
: : **Hearing Date: March 6, 2017 at 11:00 a.m. (ET)**
: : **Obj. Deadline: February 27, 2017 at 4:00 p.m. (ET)**

**DEBTORS’ APPLICATION, PURSUANT TO SECTION 327(a)
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 2014, FOR AN
ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF YOUNG
CONAWAY STARGATT & TAYLOR, LLP AS DELAWARE BANKRUPTCY
AND CONFLICTS COUNSEL FOR THE DEBTORS,
NUNC PRO TUNC TO THE PETITION DATE**

United Road Towing, Inc. and its affiliated debtors and debtors in possession in the above-captioned cases (each a “Debtor,” and collectively, the “Debtors”), by and through their proposed undersigned counsel, hereby submit this application (the “Application”) for entry of an order, substantially in the form of Exhibit D attached hereto, pursuant to section 327(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), authorizing the retention and employment of Young Conaway Stargatt & Taylor, LLP (“Young Conaway” or the “Firm”) as Delaware bankruptcy and conflicts counsel for the Debtors, effective as of the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

Petition Date (as defined below). In support of this Application, the Debtors rely upon the declaration of M. Blake Cleary (the "Cleary Declaration"), attached hereto as Exhibit A and the *Declaration of Michael J. Mahar in Support of Chapter 11 Petitions and First Day Pleadings* (the "First Day Declaration"),² [D.I. 2] and submit their verified statement (the "Verified Statement"), a copy of which is attached hereto as Exhibit B, detailing the process by which Young Conaway was selected as counsel in these cases and the oversight the Debtors shall continue to provide with respect thereto. In further support of this Application, the Debtors respectfully represent:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final judgment or order with respect to the Application if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

2. The statutory bases for the relief requested herein are section 327(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

BACKGROUND

3. On February 6, 2017 (the "Petition Date"), the Debtors commenced voluntary cases under the chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Court"). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases (collectively, the "Chapter 11 Cases") and no committees have been appointed or designated.

4. The Debtors have requested that these Chapter 11 Cases be consolidated for procedural purposes only and jointly administered pursuant to Bankruptcy Rule 1015(b).

5. The Debtors, headquartered in Mokena, Illinois, are the leader in towing, recovery, impound, and vehicle management solutions in both the private and public sector. Through a portfolio of local and regional brands operating across 10 different regions in eight different states, the Debtors dispatch approximately 500,000 tows, manage over 200,000 impounds and sell over 38,000 vehicles annually across the United States.

6. Further information regarding the Debtors' business, capital structure, and the circumstances leading to these Chapter 11 Cases is set forth in the First Day Declaration, which is incorporated herein by reference.

RELIEF REQUESTED

7. By this Application, the Debtors request entry of an order authorizing the Debtors to retain and employ Young Conaway as Delaware bankruptcy and conflicts counsel for the Debtors, effective as of the Petition Date.

BASIS FOR RELIEF REQUESTED

A. Young Conaway's Qualifications

8. The Debtors seek to retain Young Conaway as their Delaware bankruptcy and conflicts counsel because of the Firm's extensive knowledge, expertise, and experience in the field of debtors' and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code. The Debtors submit that Young Conaway's knowledge, expertise, and experience practicing before the Court will enable it to work in an efficient and cost-effective manner on behalf of the Debtors' estates. Additionally, in preparing for these chapter 11 cases, Young Conaway has become familiar with the Debtors' business and affairs and many of the potential legal issues that may arise in the context of these chapter 11 cases. Accordingly, the Debtors believe that Young Conaway is uniquely qualified to represent them as co-counsel in these chapter 11 cases and will do so in a most expedient manner.

B. Payment of Fees and Expenses

9. Young Conaway will seek Court approval of its compensation and reimbursement of its actual, necessary expenses, and other charges incurred by the Firm upon the filing of appropriate applications for interim and final compensation and reimbursement pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. The principal attorneys and paralegal presently designated to represent the Debtors, and their current standard hourly rates, are:

- | | |
|--------------------------|-------------------|
| a. M. Blake Cleary | \$790.00 per hour |
| b. Ryan M. Bartley | \$520.00 per hour |
| c. Andrew L. Magaziner | \$495.00 per hour |
| d. Elizabeth S. Justison | \$400.00 per hour |
| e. Kenneth A. Listwak | \$300.00 per hour |

f. Debbie Laskin (paralegal) \$270.00 per hour

10. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals from Young Conaway may from time to time also serve the Debtors in connection with the matters described herein with rates ranging from \$300 to \$890 per hour for attorneys and \$240 to \$270 per hour for paralegals and other para-professionals.

11. The hourly rates set forth above are the Firm's standard hourly rates for work of this nature. These rates are set at a level designed to fairly compensate the Firm for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, as well as non-ordinary overhead expenses approved by the client such as secretarial and other overtime. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients. The Firm believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

12. Young Conaway received a retainer in the amount of \$75,000 (as further supplemented, the "Retainer") on January 20, 2017 in connection with the planning and preparation of initial documents and its proposed post-petition representation of the Debtors. On February 3, 2017, Young Conaway received a supplement to the Retainer in the amount of

\$49,793 to cover filing fees, and a replenishment of the Retainer in the amount of \$42,826.60 on account of fees invoiced through January 31 2017. A portion of the Retainer will be applied to any outstanding balances existing as of the Petition Date. The remainder will constitute a general retainer as security for post-petition services and expenses.³ In addition to the Retainer, Young Conaway received payment from the Debtors on account of invoices submitted prior to the Petition Date, as set forth in the Cleary Declaration.

13. In this case, the general security retainer is appropriate for several reasons. *See In re Insilco Tech., Inc.*, 291 B.R. 628, 634 (Bankr. D. Del. 2003) (“Factors to be considered, include . . . whether terms of an engagement agreement reflect normal business terms in the marketplace; . . . the relationship between the Debtor and the professionals, i.e., whether the parties involved are sophisticated business entities with equal bargaining power who engaged in an arms-length negotiation[] [and] . . . whether the retention, as proposed, is in the best interests of the estate[] . . .”); *see also In re CTC Commc’n Grp., Inc.*, Case No. 02-12873 (PJW) (Bankr. D. Del. May 22, 2003), Hr’g Tr. 43 (“I agree and adopt wholeheartedly Judge Carey’s decision in the *Insilco* case.”). First, these types of retainer agreements reflect normal business terms in the marketplace. *See In re Insilco Tech., Inc.*, 291 B.R. at 634 (“[I]t is not disputed that the taking of [security] retainers is a practice now common in the market place.”). Second, both Young Conaway and the Debtors are sophisticated business entities that have negotiated the retainer at arm’s length. Third, the retention of Young Conaway is in the best interests of the Debtors’ estates because the retention agreement and retainer allow the Debtors to maintain the prepetition relationship established with Young Conaway. Thus, under the standards articulated

³ Young Conaway’s statement pursuant to Bankruptcy Rule 2016 is attached hereto as Exhibit C.

in *In re Insilco Tech., Inc.*, and adopted *In re CTC Commc'n Grp., Inc.*, the facts and circumstances of these chapter 11 cases support the approval of the security retainer.

14. As set forth in the Cleary Declaration, Young Conaway has not shared or agreed to share any of its compensation from the Debtors with any other person, other than as permitted by section 504 of the Bankruptcy Code.

C. Services to be Provided

15. Young Conaway was retained by the Debtors pursuant to an engagement agreement dated January 19, 2017 (the "Engagement Agreement"), to represent the Debtors as the Debtors' Delaware bankruptcy and conflicts counsel, in preparing for, and during the course of, all aspects of their restructuring efforts.

16. The professional services that Young Conaway will render to the Debtors include, but shall not be limited to, the following:

- providing legal advice with respect to the Debtors' powers and duties as debtors in possession in the continued operation of their business, management of their properties, and the potential sale of their assets;
- preparing and pursuing confirmation of a plan and approval of a disclosure statement;
- preparing, on behalf of the Debtors, necessary applications, motions, answers, orders, reports, and other legal papers;
- appearing in Court and protecting the interests of the Debtors before the Court; and
- performing all other legal services for the Debtors that may be necessary and proper in these proceedings.

17. By separate application, the Debtors are asking the Court to approve the retention of: (i) Winston & Strawn, LLP ("Winston & Strawn") as primary bankruptcy counsel; (ii) Getzler Henrich Management & Financial Consultants, as financial advisor; and (i) Rust

Consulting/Omni Bankruptcy as claims, noticing, and administrative agent. In addition, the Debtors may also file motions or applications to employ additional professionals.

18. Each of these firms works, and will continue to work, under the direction of the Debtors' management. The Debtors' directors and senior management are committed to minimizing duplication of services to reduce professional costs, among other things. To that end, Young Conaway is prepared to work closely with each professional to ensure that there is no unnecessary duplication of effort or cost.

D. Bankruptcy Rule 2014 Disclosure

19. To the best of the Debtors' knowledge, and except as disclosed herein and in the Cleary Declaration, Young Conaway has not represented the Debtors, their creditors, or any other parties-in-interest, or their respective attorneys, in any matter relating to the Debtors or their estates. Young Conaway is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code in that the Firm, its partners, counsel, and associates:

- a. are not creditors, equity security holders, or insiders of the Debtors;
- b. are not and were not, within two (2) years before the Petition Date, directors, officers, or employees of the Debtors; and
- c. do not have an interest materially adverse to the interests of the Debtors' estates or of any class of the Debtors' creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, any of the Debtors, or for any other reason.

20. For the above reasons, the Debtors submit that Young Conaway's employment is necessary and in the best interests of the Debtors and their estates.

NOTICE

21. Notice of this Application been provided to: (i) the Office of the United States Trustee for the District of Delaware; (ii) counsel to Wells Fargo Bank, N.A. and Medley Capital Corporation; (iii) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; and (iv) those parties who have formally filed requests for notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

NO PRIOR REQUEST

22. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit D, granting the relief requested herein and granting the Debtors such other and further relief as is just and proper.

Dated: February 13, 2017

United Road Towing Inc., *et al.*
Debtors and Debtors in Possession

/s/ Michael J. Mahar

Michael J. Mahar
Chief Financial Officer

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	: Chapter 11
	:
	: Case No. 17-10249 (LSS)
UNITED ROAD TOWING, INC. et al.,	:
	: Jointly Administered
Debtors.¹	:
	: Hearing Date: March 6, 2017 at 11:00 am (ET)
	: Obj. Deadline: February 27, 2017 at 4:00 pm (ET)

NOTICE OF DEBTORS’ APPLICATION, PURSUANT TO SECTION 327(a) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 2014, FOR AN ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF YOUNG CONAWAY STARGATT & TAYLOR, LLP AS DELAWARE BANKRUPTCY AND CONFLICTS COUNSEL FOR THE DEBTORS, NUNC PRO TUNC TO THE PETITION DATE

TO: (I) THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (II) COUNSEL TO WELLS FARGO BANK, N.A. AND MEDLEY CAPITAL CORPORATION; (III) THE DEBTORS’ THIRTY (30) LARGEST UNSECURED CREDITORS ON A CONSOLIDATED BASIS; AND (IV) ALL PARTIES WHO HAVE FILED A NOTICE OF APPEARANCE AND REQUEST FOR SERVICE OF PAPERS PURSUANT TO BANKRUPTCY RULE 2002

PLEASE TAKE NOTICE that United Road Towing, Inc. and its affiliated debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”), have filed the attached *Debtors’ Application, Pursuant to Section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014, for an Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as Delaware Bankruptcy and Conflicts Counsel for the Debtors, Nunc Pro Tunc to the Petition Date* (the “Application”).

PLEASE TAKE FURTHER NOTICE that any objections or responses to the relief requested in the Application must be filed on or before **February 27, 2017, at 4:00 p.m. (ET)** (the “Objection Deadline”) with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time,

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

copies of any responses or objections to the Application must be served upon the proposed undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE APPLICATION WILL BE HELD ON MARCH 6, 2017 AT 11:00 A.M. (ET) BEFORE THE HONORABLE LAURIE SELBER SILVERSTEIN IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM 2, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR RESPONSES TO THE APPLICATION ARE TIMELY FILED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: February 13, 2017
Wilmington, Delaware

YOUNG CONAWAY STARGATT
& TAYLOR, LLP

/s/ M. Blake Cleary

M. Blake Cleary (No. 3614)
Ryan M. Bartley (No. 4985)
Andrew L. Magaziner (No. 5426)
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

WINSTON & STRAWN LLP
Daniel J. McGuire
Grace D. D'Arcy
35 West Wacker Drive
Chicago, Illinois 60601
Telephone: (312) 558-5600
Facsimile: (312) 558-5700

Carrie V. Hardman
200 Park Avenue
New York, NY 10166
Telephone: (212) 294-6700
Facsimile: (212) 294-4700

*Proposed Counsel for Debtors and
Debtors in Possession*

EXHIBIT A

Clery Declaration

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	:	Chapter 11
	:	
UNITED ROAD TOWING, INC. et al.,	:	Case No. 17-10249 (LSS)
	:	
Debtors.¹	:	Jointly Administered
	:	

**DECLARATION OF M. BLAKE CLEARY IN SUPPORT OF THE DEBTORS’
APPLICATION, PURSUANT TO SECTION 327(a)
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 2014, FOR AN
ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF YOUNG
CONAWAY STARGATT & TAYLOR, LLP AS DELAWARE BANKRUPTCY
AND CONFLICTS COUNSEL FOR THE DEBTORS,
NUNC PRO TUNC TO THE PETITION DATE**

I, M. Blake Cleary, declare, pursuant to 28 U.S.C. § 1746, under penalty of perjury that:

1. I am a partner in the law firm of Young Conaway Stargatt & Taylor, LLP (“Young Conaway”), Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, and am duly admitted to practice in the State of Delaware, the Commonwealth of Pennsylvania, the United States District Court for the District of Delaware, and the United States Court of Appeals for the Third Circuit. I submit this declaration in support of *Debtors’ Application, Pursuant to Section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014, for an Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as*

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

Delaware Bankruptcy and Conflicts Counsel for the Debtors, Nunc Pro Tunc to the Petition Date (the “Application”).²

2. Young Conaway has conducted a series of searches in the Firm’s conflicts databases to identify relationships with the Debtors, their lenders, equity holders, and various other parties-in-interest in these cases (collectively, the “Interested Parties”).³

3. Based on the conflicts and connections search conducted and described herein, to the best of my knowledge, neither I, Young Conaway, nor any partner, counsel, or associate thereof, insofar as I have been able to ascertain, has any connection with the Debtors or any other parties-in-interest herein, except as stated below:

- a. In recent weeks, Young Conaway and certain of its partners and associates have rendered legal services to the Debtors relating to their plans to seek relief under chapter 11 of title 11 of the Bankruptcy Code and the preparation of the petitions and other papers initiating and prosecuting these cases.
- b. The Debtors have sought or will seek to retain: Winston & Strawn, LLP (“Winston & Strawn”) as primary bankruptcy counsel; Getzler Henrich Management & Financial Consultants, as financial advisor; SSG Advisors, LLC as investment bankers, and Rust Consulting/Omni Bankruptcy as claims, noticing, and administrative agent in these chapter 11 cases. Young Conaway has in the past and/or currently does work with and/or against these professionals in connection with matters wholly unrelated to these chapter 11 proceedings.
- c. Young Conaway has, in the past, represented the following Interested Parties, or parties who may be affiliated with such Interested Parties, in matters wholly unrelated to the Debtors and the Chapter 11 Cases:
 - i. Ace American Insurance Co.
 - ii. AT&T
 - iii. AT&T Mobility
 - iv. Berkshire Hathaway Homestate Companies
 - v. Chubb
 - vi. Comcast

² Capitalized terms used but not otherwise defined herein have the meanings given to them in the Application.

³ A list of the Interested Parties searched is attached hereto as Exhibit I.

- vii. Cox Communications Inc.
- viii. United States Department of Treasury
- ix. DIRECTV
- x. DISH Network
- xi. Frontier
- xii. Jackson Lewis P.C.
- xiii. Legg Mason SBIC Mezzanine Fund, L.P.
- xiv. Lexington Insurance Company
- xv. Brendan L. Shannon
- xvi. Karen Starr
- xvii. State of Delaware
- xviii. Time Warner Cable Inc.
- xix. Verizon
- xx. Waste Management
- xxi. Waste Management - Sun Valley

d. Young Conaway currently represents the following Interested Parties, or parties who may be affiliated with such Interested Parties, in matters wholly unrelated to the Debtors and the Chapter 11 Cases:

- i. DISH Network
- ii. Lexington Insurance Company
- iii. Secretary of State for the State of Delaware
- iv. State of Delaware
- v. Time Warner Cable Inc.
- vi. Verizon

e. Wells Fargo Bank, N.A. (“Wells Fargo”) is a prepetition and post-petition secured lender to the Debtors and one of the Debtors’ cash management banks. Young Conaway has in the past and may in the future issue legal opinions for an affiliate of Wells Fargo in matters unrelated to the Debtors. Young Conaway has also previously represented Wells Fargo, its affiliates or committee or ad hoc groups of which Wells Fargo was a member, none of which are related to the Debtors.

4. In addition, to the best of my knowledge, information, and belief and in accordance with Bankruptcy Rule 5002, neither I, nor any attorney at Young Conaway is a relative of the United States Bankruptcy Judge assigned to these chapter 11 cases, and Young Conaway does not have a connection with the United States Bankruptcy Judge that would render its retention in these chapter 11 cases improper. Further, in accordance with Bankruptcy Rule

2014, Young Conaway does not have any connection with the Office of the United States Trustee (the “U.S. Trustee”) or any persons employed by the U.S. Trustee.

5. Young Conaway is continuing to review the Debtors’ complete lists of creditors. Based upon its review as of this date, Young Conaway has determined that it does not represent any party in these proceedings with a material adverse interest with respect to the Debtors. Young Conaway will supplement this declaration, as necessary, with additional information or disclosures in the event that additional information is developed.

6. Young Conaway is a “disinterested person” as that term is defined in § 101(14) of the Bankruptcy Code in that Young Conaway, its partners, counsel, and associates:

- a. are not creditors, equity security holders, or insiders of the Debtors;
- b. are not and were not, within two (2) years before the date of the filing of the petition, a director, officer, or employee of the Debtors; and
- c. do not have an interest materially adverse to the interest of the Debtors’ estates 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.

7. As set forth above, and subject to any explanations and/or exceptions contained therein or herein, Young Conaway (a) does not hold or represent any interest adverse to the Debtors in connection with the matters upon which Young Conaway is to be engaged, and (b) is disinterested. If the results of further investigation reveal any additional connections, Young Conaway will make any further disclosures as may be appropriate at that time.

8. Young Conaway was retained by the Debtors pursuant to an engagement agreement dated January 19, 2017. Young Conaway received a retainer in the amount of \$75,000 on January 20, 2017 in connection with the planning and preparation of initial documents and its proposed post-petition representation of the Debtors, and prepayment of filing fees in the amount of \$49,763 on February 3, 2017 (as supplemented, the “Retainer”). The

Retainer was replenished on February 3, 2017, in the amount of \$42,826.60, following a draw on the Retainer for the invoice for services rendered through January 31, 2017.

9. Young Conaway received the following payments for services rendered prior to the Petition Date:

<u>Invoice Date</u>	<u>Billing Period</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Source</u>
January 31, 2017	through and including January 31, 2017	February 3, 2017	\$42,826.60	Retainer

A portion of the Retainer and advance for anticipated expenses and filings fees will be applied to outstanding balances existing as of the Petition Date.⁴ The remainder will constitute a general retainer as security for post-petition services and expenses.

10. Young Conaway intends to apply for compensation for professional services rendered in connection with these chapter 11 cases subject to approval of the Court and in compliance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any administrative order entered by the Court, on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by Young Conaway. The principal attorneys and paralegal designated to represent the Debtors and their current standard hourly rates are:

- a. M. Blake Cleary \$790.00 per hour
- b. Ryan M. Bartley \$520.00 per hour
- c. Andrew L. Magaziner \$495.00 per hour
- d. Elizabeth S. Justison \$400.00 per hour
- e. Kenneth A. Listwak \$300.00 per hour

⁴ Young Conaway has not yet completed its final reconciliation of prepetition fees and expenses applied against the Retainer. Details regarding such final reconciliation will be included in the Firm's first application for interim compensation.

f. Debbie Laskin (paralegal) \$270.00 per hour

11. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals may from time to time serve the Debtors in connection with the matters herein described with rates ranging from \$300 to \$890 per hour for attorneys and \$240 to \$270 per hour for paralegals and other para-professionals.

12. The Debtors have been advised that the hourly rates set forth above are Young Conaway's standard hourly rates for work of this nature and that these rates are set at a level designed to fairly compensate Young Conaway for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, as well as non-ordinary overhead expenses approved by the client such as secretarial and other overtime. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients. The Firm believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

13. No promises have been received by Young Conaway, nor by any partner, counsel, or associate thereof, as to compensation in connection with these chapter 11 cases other than in accordance with the provisions of the Bankruptcy Code. Young Conaway has no

agreement with any other entity to share with such entity any compensation received by Young Conaway in connection with these chapter 11 cases.

14. Consistent with the United States Trustees' Appendix B – Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases (the "U.S. Trustee Guidelines"), which became effective on November 1, 2013,⁵ I state as follows:

- Young Conaway has not agreed to a variation of its standard or customary billing arrangements for this engagement;
- None of the Firm's professionals included in this engagement have varied their rate based on the geographic location of these chapter 11 cases;
- Young Conaway was retained by the Debtors pursuant to an engagement agreement dated as of January 19, 2017. The billing rates and material terms of the prepetition engagement are the same as the rates and terms described in the Application; and
- The Debtors have approved or will be approving a prospective budget and staffing plan for Young Conaway's engagement for the post-petition period as appropriate. In accordance with the U.S. Trustee Guidelines, the budget may be amended as necessary to reflect changed or unanticipated developments.

15. Young Conaway intends to perform the services set forth in section C of the Application. By separate application, the Debtors have also asked the Court to approve the retention of Winston as primary bankruptcy counsel with respect to the above-captioned chapter 11 cases. Young Conaway has discussed the division of responsibilities with Winston and will make every effort to avoid duplication of efforts in connection with these chapter 11 cases. To specifically disclose the division of labor and to avoid unnecessary duplication of services,

⁵ The U.S. Trustee Guidelines themselves acknowledge that "the Guidelines do not supersede local rules, court orders, or other controlling authority." While the Debtors and Young Conaway intend to work cooperatively with the U.S. Trustee to address requests for information and any concerns that may have led to the adoption of the U.S. Trustee Guidelines, neither the filing of this Declaration, nor anything contained herein, is intended to or shall be deemed to be an admission by Young Conaway that the Firm is required to comply with the U.S. Trustee Guidelines. Young Conaway reserves any and all rights with respect to the application of the U.S. Trustee Guidelines in respect of any application for employment or compensation filed in these cases.

Young Conaway is proposed to primarily provide the following services for its engagement in these case as Delaware bankruptcy and conflicts counsel to the Debtors:

- providing legal advice and services regarding local rules, practices, and procedures and providing substantive and strategic advice on how to accomplish the Debtors' goals in connection with the prosecution of these cases, bearing in mind that the Court relies on co-counsel such as Young Conaway to be involved in all aspects of each bankruptcy proceeding;
- reviewing, commenting and/or preparing drafts of documents to be filed with the Court as co-counsel to the Debtors;
- appearing in Court and at any meeting with the U.S. Trustee and any meeting of creditors at any given time on behalf of the Debtors as their co-counsel;
- performing various services in connection with the administration of these cases, including, without limitation, (i) preparing agenda letters, certificates of no objection, certifications of counsel, notices of fee applications and hearings, and hearing binders of documents and pleadings, (ii) monitoring the docket for filings and coordinating with Winston & Strawn on pending matters that need responses, (iii) preparing and maintaining critical dates memoranda to monitor pending applications, motions, hearing dates and other matters and the deadlines associated with the same, and (iv) handling inquiries and calls from creditors and counsel to interested parties regarding pending matters and the general status of these cases and coordinating with Winston & Strawn on any necessary responses; and
- performing all other services assigned by the Debtors, in consultation with Winston & Strawn, to Young Conaway as Delaware bankruptcy and conflicts counsel to the Debtors, and to the extent the Firm determines that such services fall outside of the scope of services historically or generally performed by Young Conaway as Delaware counsel in a bankruptcy proceeding, Young Conaway will file a supplemental declaration.

16. To the extent that Young Conaway is assigned by the Debtors, in consultation with Winston, to perform services that fall outside of the scope of those outlined in section C of the Application, Young Conaway will file a supplemental declaration in accordance with Bankruptcy Rule 2014.

17. The facts set forth in the Application are true and correct to the best of my knowledge, information, and belief.

Dated: February 13, 2017
Wilmington, Delaware

/s/ M. Blake Cleary _____
M. Blake Cleary

Exhibit I**Interested Parties**

Schedule	Description
1(a)	Current and Former Directors and Officers
1(b)	Agents and Indenture Trustees
1(c)	Beneficiaries of Letters of Credit
1(d)	Bondholders and Lenders
1(e)	Counterparties to Significant Leases and Executory Contracts
1(f)	Equity Holders
1(g)	Insurers
1(h)	Professionals
1(i)	Regulatory Authorities
1(j)	Significant Litigation Counterparties
1(k)	Significant Unsecured Creditors/Significant Vendors
1(l)	Surety Bonds
1(m)	Taxing Authorities
1(n)	U.S. Trustee, Judges, and Court Contacts
1(o)	Utilities

Schedule 1(a) – Current and Former Directors and Officers

Gerald J. Corcoran
Patrick Fodale
Michael Mahar
Joel Braverman
Thomas Tedford III
Edward Arensforf
Douglas Harff
George Bergeron
Ryan Davids
Gary Kessler
John Shoemaker
Robert Levine
Edward V. Corcoran
James Shevlet
Brooke Hayes
Steven Smith
Grand D. MacQuiklan
W David Parker

Schedule 1(b) – Agents and Indenture Trustees

Wells Fargo Bank, National Association
Medley Capital Corporation

Schedule 1(c) – Beneficiaries of Letters of Credit

ACE American Insurance n/k/a Chubb

Schedule 1(d) Bondholders and Lenders

Wells Fargo Bank, National Association
Medley Capital Corporation

Schedule 1(e) – Counterparties to Significant Leases and Executory Contracts

142 Mystic, Inc.
4100 Cheyenne, LLC
50 Mystic Avenue, LLC
AKAC Properties, LLC
Ammon Properties, LLC
Avenida Encinas LLC
Brian Boomsma and Pete Lindemulder
Broadway Investments, Inc.
Building Number Sixteen, LLC

Building Number Twenty-Six, LLC
Challenge Investment Group, LLC
City of San Antonio
Cynthia J. Maiorano
Daniel P. Lagone and Cynthia A. Lagone
Donald L. & Charlotte O. Wilson Family Trust
Garvin W. Robertson & Rita L. Robertson
Gregory R and Lisa K Baker Trs of the Baker Trust
Industrial Number Sixteen, LLC
Jared Gruett
Jared Gruett and Pete Olson
John and Sharon Lewis
Joseph S. Perry and Cynthia L. Perry
L. William and Muriel Goldojarb 1988 Revocable Trust
Landscapes USA
Laraway Center LLC
LBJ Concourse Office Partner, LP
Lucky Star Properties LLC
Mark Chapparone and Deborah Chapparone
Metropolitan Government of Nashville
Mobile Facilities of IL, Inc.
Municipal Investor Group, LP
Parcel D, LLC and Industrial Parcel D, LLC
Paul Beagle and Adelle Beagle
Pete Olson and Deborah Olson
Reynland Properties, Inc.
State of Texas acting through the Texas Department of Transportation
SWG Properties, LLC
The Berry Trust
The Corcoran Family Trust
Towrite, Inc.
Tuch Metals
Victoria Lynne O'Connor-Boden

Schedule 1(f) – Equity Holders

Medley Capital Corporation
Milestone Partners II, L.P.
Milestone Partners II, L.P. 2
Beall III Family LP
Conifer Partners I, LLC
Durham Capital, LLC
H. Fred Levine and Velva G. Levine JT
Jeffrey M. Kalan Revocable Trust
Shoemaker Joint Venture, LLC
CMP/URT Holdings, LLC
Legg Mason SBIC Mezzanine Fund, L.P.

David Beall
Patrick J. Fodale
Richard D. Jaquith
Thomas M. Hagerty
Gerald Corcoran
Michael Mahar

Schedule 1(g) – Insurers

Berkshire Hathaway Homestate Companies
National Liability & Fire Insurance Co.
Lexington Insurance Company
Ace American Insurance Co.
Zurich American Insurance Co.
Illinois Union
Endurance American Specialty
Chubb
City of Minneapolis
City of North Las Vegas
City of Saint Paul
City of San Antonio
Commonwealth of Massachusetts
Endurance American Specialty
Federal Motor Carrier
Illinois Union
Indian Harbor Insurance Co.
Las Vegas Metropolitan Police Dept.
Massachusetts Department of Transportation
Massachusetts Turnpike Authority
Nevada Department of Taxation
Oregon DOT
State of California
State of Nevada
Vehicles, Occupational & Business Licensing Section
Western Surety Company

Schedule 1(h) – Professionals

Winston & Strawn LLP
Getzler Henrich & Associates LLC
Young Conaway Stargatt & Taylor, LLP
SSG Capital Advisors, LLC
AMT Auction Marketing LLC
Law Office of Bernard F. Crotty, P.C.
Rene Bates Auctioneers
Jackson Lewis P.C.

Douglas Troiani
M. Edward Lopez
David Tauro
Toschi, Sidran, Collins & Doyle
BKD LLP
Sulloyway & Hollis P.L.L.C.
Chadwick & Stone, LLP
DK Law Group, LLP

Schedule 1(i) – Regulatory Authorities

Internal Revenue Service
Office of the United States Attorney
Office of the United States Trustee
Secretary of the Treasury
Securities & Exchange Commission
U.S Attorney’s Office

Schedule 1(j) – Significant Litigation Counterparties

IncidentClear, LLC
Bergeron, George
Davids, Ryan
First Service Credit Union

Schedule 1(k) – Significant Unsecured Creditors/Significant Vendors

24 Hr Wrecker
A & N Towing and Transport
A.B. Collier Wrecker Service, LLC
A1 Easy Towing
Advanced Towing Inc.
AL & Y Towing
Alamo I
All Data
All Day Towing LLC
Always Towing
AmeriQuest Transportation Service
Angel Rios Towing
Anthony Cantrell d/b/a One Stop, One Step
Apollo Delivery & Wrecker Services, Inc.
Bailey’s Wrecker Service
Banneker Energy, LLC
Barcode Applications, Inc.

Black & White Garage, Inc.
Black Dog Petroleum
Brad's Tire, Inc.
Brown's Wrecker Service
CAARS, Inc.
California Highway Patrol
Canon Cochran Management Services, Inc.
Carson Tire Service, Inc.
Carter's Service Center
Chapmans Wrecker Service
Chemex of Northern IL, Inc.
Chicago Tire, Inc.
Clark & Howard Tow
Classic Towing
Clean Energy
Comlink Wireless, Inc.
Compulink Management Center, Inc.
Crown Towing
D&W Towing & Recovery
Dad's Towing Service, Inc.
Dallas Discount Towing LLC
Daniels Printing & Office Supply
Danyer Towing
Donelson Wrecker Service
E&G Towing
Ewing Bros. Inc.
EZ-Pass
FGI Incorporated
Fleet Pride
Fleet Technology & Maintenance
G&E Sales Corporation
Galpin Motors, Inc.
Haddick Towing, Inc.
Hamblen's Wrecker Service
Hillwood Wrecker Service
Hollis Towing
Howard Sommers Towing, Inc.
IMOTOWED Ent, d/b/a Richard's Towing
J Duque Towing
J&S Towing
J&S Towing & Recovery, Inc.
JMT Towing
Jody Wade Enterprises, LLC dba Big Daddys
Joe's Towing
Katrina Towing
Kenworth (AmeriQuest)

Lara's Towing Service
Larry's Towing
Las Vegas Executives Assoc.
LED Transport
Lightning Towing
Logistical Solutions
Lucky Transport
Luxury Towing
M & M Auto and Diesel
Marron Towing
Martin's Wrecker Service
Maters Transportation
McAllister Equipment Co.
McIntyre Truck & Trailer Casa View
Mederos Transport
Michelin (AmeriQuest)
Midwest Towing & Recovery
Mike's Custom Towing
Miller Industries Towing
Mission Wrecker Service Sa, Inc.
Mitchell's West Nashville Wrecker Service
Mortons Flying J Travel Plaza
N&N Towing
Norge Towing
Omnitracs
Pablo Quintero Towing
Pajak's Towing
Parking Lot Services
Pat's Towing
Patrick Schmidt Hauling and Recycling
Perm A Seal, Inc.
Purchase Power
Quick Silver Towing, Inc.
Quilez & Associates
Quimex, Inc.
R&B Towing
RJ Young Company
Road Master dba Cotton's Towing
Road Master dba Tow Pro, Inc.
Romco Equipment Co., LLC
SAMORA TOWING
Sanchez Paving, Co.
Sandy's Auto and Truck Service
Secure-24
Smith's Wrecker Service
Southern Tire Mart, LLC

Stevens Automotive Transport
Sun Pass
T&T Business Systems
Teletrac
Ten-West Towing
Texas Roadside Service(s)
The Towing Management Solutions LLC
Three D Towing
Toll Transport
Tommy's Wrecker Service, Inc.
Tow Exchange
Tow Masters
Towing Specialists Inc. dba Swanny & McDonald
Tropical Towing
TX Tow Corp dba Texas Towing
Tyler Boy Wrecker Service
UniFirst Corporation
US Tow, Inc.
Valero & P Towing
Vinitsky Consulting, Inc.
Wolf's Towing & Auto Repair
Worldwide Equipment Sales, LLC
Wrecker Express Transportation, Inc.
Xcira LLC
Yaniel Garcia
Yuniel Towing

Schedule 1(l) – Surety Bonds and Obligees

City of Minneapolis
City of Minneapolis
City of North Las Vegas
City of Saint Paul
City of San Antonio
Commonwealth of Massachusetts
Federal Motor Carrier Safety Administration
Las Vegas Metropolitan Police Dept.
Massachusetts Department of Transportation
Massachusetts Turnpike Authority
Nevada Department of Taxation
Nevada Dept. of Vehicles, Occupation & Business Licensing Section
Oregon DOT, Motor Carrier Transportation Branch
Platte River Insurance Company
Ramsey County
State of California, Department of Motor Vehicles
State of Nevada

Schedule 1(m) – Taxing Authorities

Arizona Dept. of Revenue
Arkansas Dept. of Revenue
Board of Equalization California
California Dept. of Revenue
Charlotte Wilson (property taxes)
City of Los Angeles
Cindy Maiorano (property taxes)
City of Medford
City of San Antonio
Clark County
Colorado Dept. of Revenue
Connecticut Dept. of Revenue
Collin County, TX
Cook County Treasurer
Dallas County, TX
Davidson County
Dean Daily (property taxes)
Dept. of Treasury
Florida Dept. of Revenue
Franchise Tax Board California
Hennepin County
Illinois Dept. of Revenue
Indiana Dept. of Revenue
IRS
Kansas Dept. of Revenue
Kenneth Maun Collin County
Kentucky Dept. of Revenue
Los Angeles County, CA
Los Angeles Tax Collector
Massachusetts Dept. of Revenue
Michael Terry Lloyd (property taxes)
Michigan Dept. of Revenue
Minnesota Dept. of Revenue
Nevada Dept. of Revenue
New Mexico Dept. of Revenue
New York Dept. of Revenue
Ramsey County
Ron Wright Tarrant County
San Bernardino County
SBC Tax Collector
Secretary of State (all states)
State of Arkansas
State of Colorado
State of Delaware

State Treasurer
Tarrant County
Tennessee Dept. of Revenue
Texas Dept. of Revenue
Town of Glastonbury Connecticut
Van Nuys Airport
Village of Mokena
Will County Treasurer
Wisconsin Dept. of Revenue

Schedule 1(n) – U.S. Trustee, Judges, and Court Contacts

Brendan L. Shannon
Kevin J. Carey
Kevin Gross
Laurie Selber Silverstein
Christopher S. Sontchi
Mary F. Walrath
Una O’Boyle
T. Patrick Tinker
Lauren Attix
David Buchbinder
Linda Casey
Natalie Cox
Holly Dice
Shakima L. Dortch
Timothy J. Fox, Jr.
Diane Giordano
Christine Green
Benjamin Hackman
Jeffrey Heck
Mark Kenney
Jane Leamy
Hannah M. McCollum
James R. O’Malley
Michael Panacio
Juliet Sarkessian
Richard Schepacarter
Edith A. Serrano
Karen Starr
Ramona Vinson
Michael West
Dion Wynn

Schedule 1(o) – Utilities

Amerigas
Artesia Springs
AT&T
AT&T Long Distance
AT&T Mobility
Atmos Energy
Birch Telecom
Burtec Waste Industries, Inc.
Centerpoint Energy
Century Link
City N. Las Vegas Finance Dept.
City of Chicago Heights
City of Dallas Utilities & Services
City of Markham
City of Plano Utilities
City of Pomona
City of Redlands
Comcast
ComEd
Cortez Liquid Waste Services, Inc.
Cox Communications Inc.
DIRECTV
Dish Network
Eversource
Frontier
Ft. Worth Water Department
Groot Industries
Homewood Disposal
Hudson Energy Services LLC
L.A. DWP
Level (3) Communications LLC
MCI Telecom
Metro Water Services
Minneapolis Finance Dept.
Mission Valley Sanitation
Nashville Electric Service
National Grid
NIC Technologies (DOT)
Nicor Gas
NV Energy
Ontario Municipal
Pacific Telemanagement
Paetec Communications
POPP Communications
Professional Wireless Communications
Progressive Waste Solutions of TX, Inc.

Republic Services
Republic Services #794
Republic Services of S. Nevada
Saint Paul Regional Water Services
Southern California Edison Co.
Sparkletts
Spring
Telepacific Communications
The Gas Company
Time Payment Corp.
Time Warner Cable
Time Warner Cable Inc.
Tri-State Disposal, Inc.
TXU Electric
Verizon
Verizon, Co.
Village of Glenwood Water Dept.
Walters Recycling and Refuse
Waste Management
Waste Management
Waste Management – Sun Valley
Xcel Energy
XO

Exhibit B

Verified Statement

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	:	
	:	Chapter 11
	:	
UNITED ROAD TOWING, INC. et al.,	:	Case No. 17-10249 (LSS)
	:	
Debtors.¹	:	Jointly Administered
	:	

**DECLARATION OF MICHAEL J. MAHAR IN SUPPORT OF DEBTORS’
APPLICATION, PURSUANT TO SECTION 327(a)
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 2014, FOR AN
ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF YOUNG
CONAWAY STARGATT & TAYLOR, LLP AS DELAWARE BANKRUPTCY
AND CONFLICTS COUNSEL FOR THE DEBTORS,
NUNC PRO TUNC TO THE PETITION DATE**

Pursuant to 28 U.S.C. § 1746, I, Michael J. Mahar, hereby submit this declaration (this “Declaration”) under penalty of perjury:

1. I am the Chief Financial Officer of United Road Towing, Inc., one of the debtors and debtors in possession (each, a “Debtor,” and collectively, “the “Debtors”) in the above-captioned matter. In this capacity, I am familiar with the Debtors’ day-to-day operations, businesses, financial affairs and books and records. I am involved in supervising bankruptcy counsel for the Debtors.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

2. I have reviewed and am familiar with the contents of the *Debtors' Application, Pursuant to Section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014, for an Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as Delaware Bankruptcy and Conflicts Counsel for the Debtors, Nunc Pro Tunc to the Petition Date* (the "Application").² In support of the Application, the Debtors rely upon the Cleary Declaration.

3. The Debtors engaged Young Conaway as their Delaware bankruptcy and conflicts counsel at the recommendation of Winston & Strawn, LLP ("Winston & Strawn"), the Debtors' primary counsel. The Debtors selected Young Conaway because of the Firm's extensive knowledge, expertise, and experience in the field of debtors' and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code. Young Conaway's knowledge, expertise, and experience practicing before the Court will enable the Firm to work in an efficient and cost-effective manner on behalf of the Debtors' estates. Additionally, in preparing for these chapter 11 cases, Young Conaway has become familiar with the Debtors' businesses and affairs and many of the potential legal issues that might arise in the context of these cases, and since its engagement has advised the Debtors and Winston & Strawn on, among other things, local rules, practices, and procedures with respect to various restructuring issues. Therefore, the Debtors believe that Young Conaway is uniquely qualified to represent them in these cases.

4. In selecting Young Conaway, the Debtors reviewed the rates of Young Conaway, including rates for bankruptcy services, and compared them to outside law firms that the Debtors have used in the past to determine that the rates are reasonable. Young Conaway has

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

informed the Debtors that its current hourly rates are the Firm's standard hourly rates for work of this nature. Young Conaway further informed the Debtors that the Firm operates in a national and regional marketplace for legal services in which rates are driven by multiple factors relating to the individual lawyer, his or her area of specialty, the Firm's expertise, performance and reputation, the nature of the work involved and other factors.

5. In my capacity as Chief Financial Officer, I am one of the officers responsible for supervising outside counsel retained by the Debtors. As discussed below, I am also responsible for reviewing the invoices regularly submitted by Young Conaway, and can confirm that the rates Young Conaway charged the Debtors in the prepetition period are the same as the rates Young Conaway will charge the Debtors in the postpetition period, subject to periodic adjustment to reflect economic and other conditions.

6. The Debtors have approved or will approve Young Conaway's prospective budget for the Debtors' professionals, including Young Conaway, for the period from the Petition Date through approximately May 5, 2017, recognizing that in the course of a large chapter 11 case like these chapter 11 cases, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Debtors and Young Conaway. In accordance with the U.S. Trustee Guidelines, the budget may be amended as necessary to reflect changed expectations or unanticipated developments. The Debtors further recognize that it is their responsibility to closely monitor the billing practices of their counsel to ensure that the fees and expenses paid by the Debtors' estates remain consistent with the Debtors' expectations and the exigencies of these cases. The Debtors will continue to review the invoices that Young Conaway regularly submits and, together with Young Conaway and Winston & Strawn, as necessary, periodically amend the budget and any staffing plans, as these cases develop.

7. As they did prepetition, the Debtors will continue to bring discipline, predictability, client involvement, and accountability to the process of reviewing professional fees and expense reimbursement requests.

8. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge of the Debtors' operations and finances, information learned from my review of relevant documents, information supplied to me by other members of the Debtors' management, or my opinion based on my experience, knowledge, and information concerning the Debtors' operations.

9. I am authorized to submit this Declaration on behalf of the Debtors and, if called upon to testify, I could and would testify competently to the facts set forth herein.

[Remainder of page intentionally left blank]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

Dated: _February 13, 2017

United Road Towing Inc., *et al.*
Debtors and Debtors in Possession

/s/ Michael J. Mahar

Michael J. Mahar
Chief Financial Officer

Exhibit C

Rule 2016 Statement

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	:	Chapter 11
	:	
UNITED ROAD TOWING, INC. et al.,	:	Case No. 17-10249 (LSS)
	:	
Debtors.¹	:	Jointly Administered
	:	

**STATEMENT OF YOUNG CONAWAY STARGATT & TAYLOR, LLP
UNDER RULE 2016 OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE AND SECTION 329 OF THE BANKRUPTCY CODE**

1. Young Conaway Stargatt & Taylor, LLP (“Young Conaway”), pursuant to Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court of the District of Delaware (the “Local Rules”), and section 329 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), states that the undersigned is proposed Delaware bankruptcy and conflicts counsel for the above-captioned debtors and debtors in possession (collectively, the “Debtors”) in these chapter 11 cases.

2. Compensation agreed to be paid by the Debtors to Young Conaway is to be for legal services rendered in connection with these bankruptcy cases. The Debtors have agreed to pay Young Conaway at the firm’s standard hourly rates for the legal services rendered

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

or to be rendered on the Debtors’ behalf in connection with these cases by Young Conaway’s various attorneys and paralegals. The Debtors have also agreed to reimburse Young Conaway for its actual and necessary expenses incurred in connection with these cases.

3. Young Conaway was retained by the Debtors pursuant to an engagement agreement dated January 19, 2017. Young Conaway received a retainer in the amount of \$75,000 on January 20, 2017 in connection with the planning and preparation of initial documents and its proposed post-petition representation of the Debtors, and prepayment of filing fees in the amount of \$49,763 on February 3, 2017 (as supplemented, the “Retainer”). The Retainer was replenished on February 3, 2017, in the amount of \$42,826.60, following the draw on the Retainer for the invoice for services rendered through January 31, 2017.

4. Young Conaway received the following payments for services rendered prior to the Petition Date:

<u>Invoice Date</u>	<u>Billing Period</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Source</u>
January 31, 2017	through and including January 31, 2017	February 3, 2017	\$42,826.60	Retainer

A portion of the Retainer and advance for anticipated expenses and filings fees will be applied to outstanding balances existing as of the Petition Date.² The remainder will constitute a general retainer as security for post-petition services and expenses.

5. Within the year prior to the Petition Date, Young Conaway has received no other payments or promises of payment from the Debtors on account of services rendered or

² Young Conaway has not yet completed its final reconciliation of prepetition fees and expenses applied against the Retainer. Details regarding such final reconciliation will be included in the Firm’s first application for interim compensation.

to be rendered in contemplation of or in connection with these chapter 11 cases. At all times, the Retainer exceeded the amounts due to Young Conaway on account of its prepetition fees and expenses.

6. Young Conaway will seek approval of payment of compensation upon its filing of appropriate applications for allowance of interim or final compensation pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable Orders of the Court.

7. All filing fees in these chapter 11 cases have been paid in full.

8. The services to be rendered include all those services set forth in the *Debtors' Application, Pursuant to Section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014, for an Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as Delaware Bankruptcy and Conflicts Counsel for the Debtors, Nunc Pro Tunc to the Petition Date.*

[Remainder of Page Intentionally Left Blank]

9. Young Conaway further states that it has neither shared nor agreed to share (i) any compensation it has received or may receive with another party or person, other than with the partners, counsel, and associates of Young Conaway, or (ii) any compensation another person or party has received or may receive.

Dated: February 13, 2017
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ M. Blake Cleary

M. Blake Cleary (No. 3614)

Ryan M. Bartley (No. 4985)

Andrew L. Magaziner (No. 5426)

Rodney Square

1000 North King Street

Wilmington, Delaware 19801

Telephone: (302) 571-6600

Facsimile: (302) 571-1253

*Proposed Counsel for the
Debtors and Debtors in Possession*

EXHIBIT D

Proposed Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
In re : Chapter 11
:
UNITED ROAD TOWING, INC. et al., : Case No. 17-10249 (LSS)
:
Debtors.¹ : Jointly Administered
:
: **Docket Ref. No. __**
-----X

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
YOUNG CONAWAY STARGATT & TAYLOR, LLP AS DELAWARE
BANKRUPTCY AND CONFLICTS COUNSEL FOR THE DEBTORS,
NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “Application”)² of United Road Towing, Inc. and its affiliated debtors as debtors in possession in the above-captioned cases (collectively, the “Debtors”) for entry of an order pursuant to section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014 authorizing the retention and employment of Young Conaway Stargatt & Taylor, LLP (“Young Conaway” or the “Firm”) as Delaware bankruptcy and conflicts counsel to the Debtors, effective as of the Petition Date, as more fully described in the Application; and upon consideration of the Cleary Declaration, the Verified Statement and the First Day Declaration; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: United Road Towing, Inc. (6962); URT Holdings, Inc. (8341); City Towing Inc. (2118); URS West, Inc. (3518); Bill & Wag’s, Inc. (3518); Export Enterprises of Massachusetts, Inc. (5689); Pat’s Towing, Inc. (6964); Keystone Towing, Inc. (6356); Ross Baker Towing, Inc. (9742); URT Texas, Inc. (3716); Mart-Caudle Corporation (1912); Signature Towing, Inc. (3054); WHW Transport, Inc. (3055); URS Southeast, Inc. (7289); URS Northeast, Inc. (7290); URS Southwest, Inc. (7284); Fast Towing, Inc. (5898); E&R Towing & Garage, Inc. (8500); Sunrise Towing, Inc. (7160); Ken Lehman Enterprises Inc. (1970); United Road Towing of South Florida, Inc. (9186); Rapid Recovery Incorporated (1659); United Road Towing Services, Inc. (2206); Arri Brothers, Inc. (7962); Rancho Del Oro Companies, Inc. (3924); CSCBD, Inc. (2448); URS Leasing, Inc. (9072); UR VMS LLC (4904); UR Vehicle Management Solutions, Inc. (0402). The Debtors’ mailing address is c/o United Road Towing, Inc., 9550 Bormet Drive, Suite 301, Mokena, Illinois 60448.

² Capitalized terms used but not defined herein have the meanings given to them in the Application.

in interest; and this Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and this Court finding that Young Conaway 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 because (i) Young Conaway has no connection with the Debtors, any creditors, or other parties in interest, their respective attorneys and accountants, or the United States Trustee for the District of Delaware or any of its employees, except as set forth in the Cleary Declaration, (ii) Young Conaway is not a creditor, equity security holder, or insider of the Debtors, (iii) none of Young Conaway’s members or employees are or were, within two (2) years of the Petition Date, a director, officer, or employee of the Debtors, and (iv) Young Conaway does not hold and has neither represented nor represents an interest materially adverse to the interests of the Debtors’ estates 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; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Application is granted and approved.
2. In accordance with section 327(a) of the Bankruptcy Code, the Debtors are hereby authorized to retain and employ the firm of Young Conaway as their Delaware

bankruptcy and conflicts counsel on the terms set forth in the Application, the Cleary Declaration, and the Engagement Agreement effective, *nunc pro tunc*, as of the Petition Date.

3. Young Conaway shall be entitled to allowance of compensation and reimbursement of expenses, upon the filing and approval of interim and final applications pursuant to the Bankruptcy Rules, the Local Rules, and such other orders as this Court may direct, including, without limitation, any order of this Court establishing procedures for interim compensation and reimbursement of professionals retained in these chapter 11 cases.

4. Young Conaway shall file the budgets approved by the Debtors for the applicable billing period with each monthly fee application.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application and the Cleary Declaration.

6. This Court shall retain jurisdiction over any and all matters arising from or related to the interpretation or implementation of this Order.

Dated: _____, 2017
Wilmington, Delaware

LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE