

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
HARTFORD COMPUTER HARDWARE,) Case No. 11-49744 (PSH)
INC., *et al.*,¹) (Jointly Administered)
)
Debtors.) Hon. Pamela S. Hollis

**NOTICE OF DEBTORS' APPLICATION FOR AN ORDER PURSUANT TO 11 U.S.C.
§§ 105(a) AND 363(b) AUTHORIZING THE EMPLOYMENT AND RETENTION OF
SILVERMAN CONSULTING AND STEVEN NERGER AS CHIEF RESTRUCTURING
OFFICER NUNC PRO TUNC TO APRIL 3, 2012**

PLEASE TAKE NOTICE that on April 12, 2012 at 10:00 a.m., I shall appear before the Honorable Pamela S. Hollis, Bankruptcy Judge, in Courtroom 644, Dirksen Federal Courthouse, 219 South Dearborn Street, Chicago, Illinois or before any other Bankruptcy Judge who may be sitting in her place and shall present and request an immediate hearing on the Debtors' Application for an Order Pursuant to 11 U.S.C. § 105(a) and 363(b) Authorizing the Employment and Retention of Silverman Consulting and Steven Nerger as Chief Restructuring Officer Nunc Pro Tunc to April 3, 2012, a copy of which is attached hereto and is herewith served upon you.

Dated: March 29, 2012

Respectfully submitted,

By: /s/ Peter A. Siddiqui
John P. Sieger (ARDC No. 6240033)
Peter A. Siddiqui (ARDC No. 6278445)
Paige E. Barr (ARDC No. 6282474)
KATTEN MUCHIN ROSENMAN LLP
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Chicago, Illinois 60661-3693
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Counsel to the Debtors and Debtors in Possession

¹ The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc (FEIN 20-0845960).



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In re:)	Chapter 11
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HARTFORD COMPUTER HARDWARE, INC., <i>et al.</i> , ¹)	Case No. 11-49744 (PSH)
)	(Jointly Administered)
)	
Debtors.)	Hon. Pamela S. Hollis

**DEBTORS’ APPLICATION FOR AN ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND
363(b) AUTHORIZING THE EMPLOYMENT AND RETENTION OF SILVERMAN
CONSULTING AND STEVEN NERGER AS CHIEF RESTRUCTURING OFFICER
NUNC PRO TUNC TO APRIL 3, 2012**

The above-captioned debtors and debtors in possession (collectively, “Debtors”) submit this application to this Court for the entry of an order authorizing the retention and employment of Silverman Consulting (“Silverman”)² and Steven Nerger (“Mr. Nerger”), the managing partner of Silverman, as chief restructuring officer pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”). In support of this application, Debtors submit the declaration of Mr. Nerger attached hereto as Exhibit A (the “Silverman Declaration”) and respectfully represent as follows:

INTRODUCTION

1. This Court has jurisdiction over this motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory basis for the relief requested herein are sections 105 and 363 of the Bankruptcy Code.

¹ The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc (FEIN 20-0845960).

BACKGROUND

3. On December 12, 2011 (the "Petition Date"), each Debtor filed a voluntary petition for relief with this Court under chapter 11 of title 11 of the Bankruptcy Code. The petitions initiated bankruptcy cases: *In re Hartford Computer Hardware, Inc.* (Case No. 11-49744), *In re Hartford Computer Group, Inc.* (Case No. 11-49750), *In re Nexicore Services, LLC* (Case No. 11-49754) and *In re Hartford Computer Government, Inc.* (Case No. 11-49752) (collectively, these "Chapter 11 Cases"). These Chapter 11 Cases are being jointly administered under *In re Hartford Computer Hardware, Inc.* (Case No. 11-49744).

4. Debtors operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. On December 28, 2011, the United States Trustee appointed an Official Committee of Unsecured Creditors (the "Committee") pursuant to 11 U.S.C. § 1102(a)(1). No trustee or examiner has been appointed in these cases.

6. Debtors are one of the leading providers of repair and installation services in North America for consumer electronics and computers. Debtors operate in three complementary business lines: parts distribution and repair, depot repair, and onsite repair and installation. Products serviced include laptop and desktop computers, commercial computer systems, flat-screen television, consumer gaming units, printers, interactive whiteboards, peripherals, servers, POS devices, and other electronic devices.

7. On or around the Petition Date, Debtors entered into an agreement for the sale (the "Sale") of substantially all of the assets of Hartford Computer Group, Inc. ("HCG") and Nexicore Services, LLC ("Nexicore") to Avnet, Inc. and Avnet International (Canada) Ltd. (together, the "Purchaser").

² All references to Silverman herein shall also include Mr. Nerger.

8. Accordingly, on the Petition Date, Debtors filed a Motion Pursuant to 11 U.S.C. §§ 105(a), 363, 365 and Fed. R. Bankr. P. 2002, 6004, 6006 for (I) Entry of an Order (A) Approving Bidding Procedures; (B) Granting Certain Bid Protections; (C) Approving Form and Manner of Sale Notices; (D) Setting Sale Hearing Date in Connection With Sale of Substantially All of Debtors' Assets; and (II) Entry of an Order (A) Approving the Sale of Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances and Interests; (B) Authorizing the Assumption And Assignment of Certain Executory Contracts and Unexpired Leases; (C) the Assumption of Certain Liabilities; and (D) Granting Certain Related Relief (the "Sale Motion").

9. Debtors thereafter conducted a sale process, at the conclusion of which, the Purchaser's bid for Debtors' assets was accepted. On February 28, 2012, this Court entered an order approving the Sale of the assets to the Purchaser [Doc. No. 208]. Debtors anticipate closing the Sale transaction on April 2, 2012 (the "Closing").

10. Following the Closing, nearly all of the Debtors' employees, including all of the Debtors' officers, will cease working for the Debtors and will be hired by the Purchaser. Consequently, immediately upon Closing, the Debtors will require a chief restructuring officer to assist them as an estate representative in the filing of a plan for the liquidation of their remaining assets and winding down of the bankruptcy estates.

11. Debtors have entered into an agreement with Silverman to provide such services to Debtors following the Closing. A copy of Silverman's engagement letter is attached hereto as Exhibit B (the "Engagement Letter").

RELIEF REQUESTED

12. By this application, Debtors seeks entry of an order authorizing them to employ and retain Silverman, including Mr. Nerger, the managing partner of Silverman, as chief

restructuring officer, in connection with the administration of these Chapter 11 Cases following the Closing.

BASIS FOR RELIEF REQUESTED

A. Qualifications of Silverman and Mr. Nerger.

13. Debtors seek to retain and employ Silverman and Mr. Nerger because, among other things, Silverman and Mr. Nerger have extensive experience and excellent reputations in providing high quality financial and restructuring advice. The knowledge, resources, capabilities and experience of Silverman and Mr. Nerger in assisting Debtors are crucial to Debtors' chapter 11 strategy to achieve the best possible outcome for all constituencies.

14. Silverman is a Chicago-based, nationally recognized consulting firm that specializes in corporate restructurings, operations improvements, litigations analytics, and bankruptcy case management services. Silverman has extensive experience working with and for distressed companies in and out of chapter 11 and throughout the United States. Silverman's professionals have advised debtors, creditors, and equity constituents in numerous bankruptcy cases, which advisory services have included financial analysis and budgeting, forecasting, cash management, operational assessments and improvements, and the provision of interim management. Silverman has advised companies ranging in size from \$2 million to over \$1.5 billion in a broad range of industries. Silverman is dedicated to providing focused senior-level attention at every aspect of these Chapter 11 Cases, combined with high quality advice and top-tier execution, to help its clients maximize value and/or achieve other specified objectives.

15. Mr. Nerger, has over 20 years of experience in financial restructuring, and is the managing partner at Silverman. He has provided a full range of crisis management services throughout the country to distressed companies, including interim management and debtor

advisory work, bankruptcy preparation and management. Mr. Nerger has managed numerous liquidations including serving as the assignee for the benefit of creditors for companies that have ranged in size from \$5 million to over \$125 million. He has also acted as a Chapter 11 trustee and oversaw the wind down and sale of over 150 locations of a building products and home improvement chain resulting in the pay down of over \$250 million in debt. Mr. Nerger has also served as chief restructuring officer in a significant number of complex transactions including, among others, an indoor water park resort, a supplier of publications for the business and visitor industry and an international supplier of flower bulbs.

B. Services to be Rendered.

16. Pursuant to the terms of the Engagement Letter, Silverman has agreed, among other things, to provide the services of (a) Mr. Nerger, as chief restructuring officer and estate representative, and (b) certain other Silverman employees as necessary, to act as temporary employees of Debtors.

17. Mr. Nerger and Silverman will assist Debtors in operating on a day-to-day basis as necessary to wind down and close Debtors' bankruptcy estates and these Chapter 11 Cases, including, but in no way limited to, the following duties:

- a. Oversee and review the final post-closing adjustments to the purchase price received from the sale of Debtors' assets;
- b. Assist with any post-Closing transitional issues;
- c. Oversee and review reconciliation of claims against Debtors, including cure and rejection claims of certain of Debtors' customers;
- d. Oversee and review state and federal tax matters, including the filing of final returns and withdrawal of Debtors' state registrations;

- e. Assist with Post-Petition reporting requirements, including the filing of monthly operating reports and quarterly US Trustee reports;
- f. Provide support for and manage Debtors' currently pending and any future litigation;
- g. Serve as Debtors' representative in meetings and discussions with the Committee, the U.S. Trustee and other interested parties, to the extent necessary;
- h. Assist in and direct the development of a plan of liquidation for the Debtors;
- i. Manage Debtors' analysis and payment of administrative expenses;
- j. Collect amounts owed to Debtors, including, but in no way limited to, proceeds from the sale of the Debtors' assets, deposits held by third parties on behalf of Debtors, including insurance carriers, landlords and vendors;
- k. Oversee completion of all matters necessary to wind-down matters in Canada;
- l. Assist in and oversee the claims administration, avoidance action and creditor distribution process and execution of any plan confirmed by Debtors;
- m. Assist in winding-down all remaining corporate entities;
- n. Assist with other wind-down activities as necessary; and
- o. Assist and direct Debtors' legal counsel, to the extent necessary, with post-closing and wind-down matters.

18. In light of the upcoming Closing, Debtors believe Silverman and Mr. Nerger must immediately commence their duties on behalf of Debtors and their business, practices, books and records and other related items to avoid any disruption in the transition to Mr. Nerger and Silverman following the Closing and to avoid leaving Debtors without management or a representative for any period of time.

C. Professional Compensation.

19. The Engagement Letter provides that Silverman shall be compensated for the services provided thereunder at hourly rates ranging from \$140 to \$650 per hour. Mr. Nerger's hourly rate is \$380 per hour. Silverman will limit its aggregate compensation from the date of its employment to August 31, 2012 to \$125,000. The billing rates reflect, among other things, geographical differentials, differences in experience levels within classifications, and differences between types of services. Silverman's hourly rates are adjusted periodically and may be increased by Silverman in accordance with its normal billing practices.

20. Debtors and Silverman have also agreed that Silverman will be compensated for reasonable expenses incurred by Silverman and Mr. Nerger on Debtors' behalf, including, but not limited to, reasonable and customary out-of-pocket expenses that are billed directly to the engagement such as certain telephone, overnight mail, messenger, travel, meals, accommodations, and other expenses specifically related to the engagement.

21. The overall compensation structure described herein and as set forth in detail in the Engagement Letter is comparable to compensation generally charged by restructuring advisory firms of similar stature as Silverman for similar engagements, both in and out of court, and is straightforward and economical. Neither Mr. Nerger nor any other employee of Silverman is entitled to direct compensation or bonuses from Debtors, rather they will continue to draw their salaries and receive benefits from Silverman, thus relieving Debtors of any related payroll expenses for employees of Silverman.

22. Because Silverman is not being employed as a professional under section 327 of the Bankruptcy Code, it will not submit fee applications pursuant to Bankruptcy Code sections 330 and 331. Instead, Silverman will comply with the following procedures:

- a. No earlier than the 20th day of each calendar month, Silverman shall serve a copy of its monthly invoice (the "Monthly Statement") for the prior month (the "Compensation Period") on: (i) the Office of the United States Trustee; (ii) counsel to Debtors; (iii) counsel to Debtors' prepetition secured lender and post-petition secured lender, Delaware Street Capital Master Fund, L.P.; and (iv) counsel to Committee appointed in the Debtors' cases (collectively, the "Notice Parties").
 - b. Each Notice Party will have ten (10) days after service of a Monthly Statement to object thereto (the "Objection Deadline"). Upon the expiration of the Objection Deadline, Debtors shall be authorized to pay Silverman the amounts requested.\
 - c. If any Notice Party objects to a Monthly Statement, it must file with the Court and serve on Silverman and each of the Notice Parties, a written objection (the "Objection"), which must be received by Silverman and the Notice Parties on or before the Objection Deadline. Debtors are authorized to pay Silverman all amounts not subject to the Objection. Thereafter, the objecting party and Silverman may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution of the Objection within twenty (20) days after service of the Objection, Silverman may file a motion seeking resolution of the Objection with the Court.
23. As set forth in the Engagement Letter and pursuant to the "Jay Alix Protocol":
- a. Silverman and its affiliates shall not act in any other capacity (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with these Chapter 11 Cases.
 - b. In the event Debtors seek to have Silverman personnel assume executive officer positions that are different than the positions disclosed in this application, or to materially change the terms of the engagement by either (i) modifying the functions of personnel, (ii) adding new personnel, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.
 - c. No principal, employee, or independent contractor of Silverman and its affiliates shall serve as a director of any of Debtors during the pendency of these Chapter 11 Cases.
 - d. Debtors are permitted to indemnify those persons serving as executive officers and temporary employees on the same terms as provided to Debtors' other officers and directors under the corporate bylaws and

applicable state law, along with insurance coverage under Debtors' applicable policies.

- e. There shall be no indemnification of Silverman or its affiliates.
- f. For a period of three years after the conclusion of the engagement, neither Silverman nor any of its affiliates shall make any investments in Debtors.
- g. Silverman shall disclose any and all facts that may have a bearing on whether the firm, its affiliates, and/or any individuals working on the engagement hold or represent any interest adverse to Debtors, their creditors, or other parties-in-interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

D. Lack of Adverse Interest in Debtors.

24. Silverman did not provide services to Debtors prior to the Petition Date and, as of the Petition Date, no amounts were due and owing from Debtors to Silverman.

25. Attached hereto as Exhibit A is a copy of the Silverman Declaration, which sets forth Silverman's connections with parties-in-interest in these case. Based upon its review of the Silverman Declaration, Debtors believe that Silverman is eligible for retention in these Chapter 11 Cases.

E. Retention and Employment of Silverman and Mr. Nerger Is Proper Under Section 363 of the Bankruptcy Code.

26. Section 363(b) of the Bankruptcy Code provides, in part, that a debtor-in-possession "after notice and hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b). Under applicable case law, in this and other circuits, if a debtor's proposed use of its assets pursuant to Section 363(b) of the Bankruptcy Code represents a reasonable business judgment on part of the debtor, such use should be approved. *See, e.g., Comm. of Equity Sec. Holders v. Lionel Co. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983); *Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1986); *Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citing *Fulton State*

Bank v. Schipper (In re Schipper), 933 F.2d 513, 515 (7th Cir. 1991)); *In re Delaware & Hudson R.R. Co.*, 124 B.R. 169, 176 (D. Del. 1991) (courts have applied the “sound business purpose” test to evaluate motions brought pursuant to Section 363(b)); *Committee of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (“Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to debtor’s conduct”).

27. The retention of corporate officers is proper under Section 363 of the Bankruptcy Code. Numerous courts have authorized retention of officers and professionals to perform crisis management services and interim management services under section 363 of the Bankruptcy Code. *See, e.g. M. Myers v. Martin (In re Marin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citing *Fulton State Bank v. Schipper (In re Schipper)*, 933 F.2d 513, 515 (7th Cir. 1991)); *Comm. Of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983); *In re Delaware & Hudson Ry. Co.*, 124 RR. 169, 175-76 (D. DeL. 1991) (courts have applied the “sound business purpose” test to evaluate motions brought pursuant to section 363(b)); *Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Ban. S.D.N.Y. 1986) (“Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor's conduct”).

28. Debtors submit that the employment of Silverman and Mr. Neger under the terms contained in the Engagement Letter and the attached proposed order would greatly benefit Debtors’ estates and creditors.

NOTICE

29. Notice of this application has been provided to all parties requesting notice in these Chapter 11 Cases, including, but not limited to: (a) the Office of the United States Trustee; (b) counsel to Debtors' senior secured lender, Delaware Street Master Fund, LP; (c) counsel to the Committee and (d) the 2002 notice list. In light of the nature of the relief requested, Debtors submit that no further notice is required.

NO PRIOR REQUEST

30. No previous application for the relief requested herein has been made by Debtors to this or any other court.

WHEREFORE, Debtors respectfully request entry of an order, substantially in the form attached hereto, authorizing Debtors to employ and retain Silverman, and certain employees of Silverman, including but not limited to Mr. Nerger, a senior managing director of Silverman, as chief restructuring officer, on the terms set forth in the Engagement Letter and granting such other and further relief as is just and proper.

Dated: March 29, 2012

Respectfully submitted,

KATTEN MUCHIN ROSENMAN LLP

By: /s/ Peter A. Siddiqui
John P. Sieger (ARDC No. 6240033)
Peter A. Siddiqui (ARDC No. 6278445)
Paige E. Barr (ARDC No. 6282474)
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Peter.Siddiqui@kattenlaw.com
Paige.Barr@kattenlaw.com
Counsel to Debtors and Debtors in Possession

Exhibit A
[SILVERMAN AFFIDAVIT]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
HARTFORD COMPUTER HARDWARE,) Case No. 11-49744 (PSH)
INC., *et al.*,¹) (Joint Administration Pending)
)
Debtors.) Hon. Pamela S. Hollis

**DECLARATION OF STEVEN A. NERGER IN SUPPORT OF
DEBTORS’ APPLICATION FOR AN ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND
363(b) AUTHORIZING THE EMPLOYMENT AND RETENTION OF SILVERMAN
CONSULTING AND STEVEN NERGER AS CHIEF RESTRUCTURING OFFICER
NUNC PRO TUNC TO APRIL 3, 2012**

Steven A. Nerger, under penalty of perjury, deposes and says:

1. I am the managing partner of Silverman Consulting (“Silverman”). I make this declaration in support of Debtors’ Application for an Order Authorizing the Employment and Retention of Silverman and Steven Nerger as Chief Restructuring Officer Nunc Pro Tunc to April 3, 2012 (the “Application”).²

2. The statements set forth in this declaration are based upon my personal knowledge, upon information and belief, and upon client matter records kept in the ordinary course of business that were reviewed by me or other personnel of Silverman or its affiliates.

3. Except as set forth herein, to my knowledge based on reasonable inquiry, (i) Silverman and the principals and directors of Silverman that are anticipated to provide the services for which Silverman is to be retained in these Chapter 11 Cases, do not hold or represent

¹ The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc (FEIN 20-0845960).

any interest adverse to Debtors and their estates and (ii) Silverman has no connection to Debtors, Debtors' significant creditors, other known significant parties-in-interest in these Chapter 11 Cases, or to the attorneys and accountants that are known to us to be assisting Debtors or the Committee except as described below. As such, I believe Silverman may be retained pursuant to the Application in these Chapter 11 Cases.

4. Silverman did not provide services to Debtors prior to the Petition Date and, as of the Petition Date, no amounts were due and owing from Debtors to Silverman.

5. To the best of my knowledge, information and belief, insofar as I have been able to ascertain after reasonable inquiry, other than in connection with these cases, neither I nor Silverman or any of its principals, employees, agents, or affiliates, have any connection with Debtors, their secured parties, their top 30 unsecured creditors or the parties requesting notice in this case, except, based upon the search using the parties described above, Silverman has in the past represented, and may in the future represent Wells Fargo Bank, N.A. or its borrowers, in matters wholly unrelated to the Debtors or these Chapter 11 Cases. The Debtors have waived any conflict created by Silverman's representation of such entities in unrelated matters

6. To check upon and disclose possible relationships with parties-in-interest in these Chapter 11 Cases, Silverman researched its client databases and performed reasonable due diligence to determine whether it or its affiliates had any relationships with the parties listed on Exhibit 1 attached hereto.

7. Despite the efforts described above to identify and disclose Silverman's connections with the parties-in-interest, because Silverman is a nationwide firm with thousands of personnel, and because Debtors are a large enterprise, Silverman is unable to state with

² Capitalized terms used but not defined in this declaration shall have the meaning assigned to those terms in the Application.

certainty that every client relationship or other connection has been disclosed. In this regard, if Silverman discovers additional information that it determines requires disclosure, it will file a supplemental disclosure with the Court promptly.

8. Subject to the Court's approval and pursuant to the terms and conditions of the Engagement Letter, the above services will be billed at Silverman's hourly rates hourly rates ranging from \$140 to \$650 per hour. My hourly rate is \$380 per hour. Silverman will limit its aggregate compensation from the date of its employment to August 31, 2012 to \$125,000.

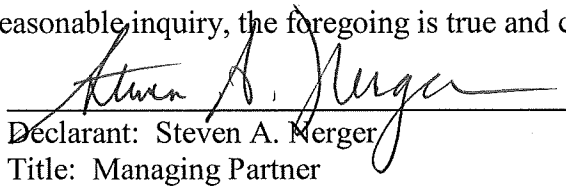
9. The billing rates reflect, among other things, geographical differentials, differences in experience levels within classifications, and differences between types of services being provided. In the normal course of business, Silverman revises its regular hourly rates to reflect changes in responsibilities, increased experience, and increased costs of doing business. Accordingly, Silverman requests that the aforementioned rates be revised to the applicable hourly rates that will be in effect from time to time. Changes in applicable hourly rates will be noted on the invoices for the first time period in which the revised rates became effective.

10. Silverman has received no promises regarding compensation in these Chapter 11 Cases other than in accordance with the Bankruptcy Code and as set forth in this affidavit. With respect to the services to be provided to Debtors, except as set forth herein, Silverman has no agreement with any non-affiliated entity to share any revenues earned in these Chapter 11 Cases.

11. Silverman reserves the right to supplement this affidavit in the event that it discovers any facts bearing on matters described in this affidavit regarding Silverman's employment by Debtors.

[Continued on Following Page]

12. I declare under penalty of perjury under the laws of the United States of America that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.


Declarant: Steven A. Merger
Title: Managing Partner

Dated: March 29, 2012

Exhibit 1

[Parties In Interest]

Parties In Interest

Abrams & Bayliss LLP	Flextronics Global Services Manches	Quanta Computer Inc.
Aerotek Commercial Staffing	Global Electronics Supplies	Richard C. Friedman
Aerotek ULC	Hartford Computer Government, Inc.	Ripplepak
AMERICAN EXPRESS BANK, FSB	Hartford Computer Group, Inc.	Roman L. Sukley
Apple Computer Inc. DTS	Hartford Computer Hardware, Inc.	Sandra T. Rasnak
ARG Investments	Hewlett-Packard Company	SECURITIES & EXCHANGE COMMISSION
ASSISTANT ATTORNEY GENERAL	I.C.S. INC.	Select Staffing
Avnet, Inc.	IKON Office Solutions, Inc.	Sheperd Pryor IV
Bill Heneghan	ILLINOIS DEPARTMENT OF REVENUE	SILVERMANACAMPORA LLP
Blake, Cassels & Graydon LLP	Ingram Micro, Inc. (EDI)	SKM Equity Fund II, L.P.
Brian Mittman	INTERNAL REVENUE SERVICE	SKM Investment Fund II
C&K Industrial Painting	IRON MOUNTAIN INFORMATION MANAGEMENT INC	SOLUTION TRUST
C&K INDUSTRIAL PAINTING	IT XChange	Sony Electronics Inc.
Cambridge Computer Services Inc.	Jeffrey Snell	SQUIRE SANDERS (US) LLP
Cameron Gulden	Jenner & Block LLP	Staples Advantage
Canada Customs & Revenue Agency	Jerry Tax	Stephen Wolfe
Chris Reilly	Jo Lamoreaux	Subhash Desai
Ciampa M4, LLC	Kathryn Gleason	Synnex Information Tech
Cintas First Aid & Safety	Kurtzman Carson Consultants LLC	Tapo Canyon Warehouse
Connex Service Inc.	Levenfeld Pearlstein, LLC	Tech Data EDI
Constantine Harvalis	M. Gretchen Silver	Timothy Ruppel
Crowe Horwath, LLP	MRR Venture LLC	Toshiba of Canada LTD
CT Corporation	NEC Corporation of America	TRESSLER LLP
Dean C. Harvalis	Nexicore Services, LLC	Tropical Realty & Investments

Delaware Street Capital Master Fund, L.P	OFFICE OF THE ATTORNEY GENERAL IL	Uline
Dell Marketing, L.P.	OFFICE OF THE UNITED STATES ATTORNEY	United Parcel Service
Denise A. DeLaurent	OFFICE OF THE UNITED STATES TRUSTEE	Waxie Sanitary Supply
EDWARDS WILDMAN PALMER LLP	Pamela S. Hollis	WELLS FARGO BANK, NATIONAL ASSOCIATION
Emily Roynesdal	Patrick S. Layng	Wells Fargo Bank, National Association
Enable Systems, Inc.	Prashant Gupta	WINSTON & STRAWN LLP
Enterprise Holdings Inc.	Purolator Courier Ltd.	

Exhibit B
[Engagement Letter]



March 28, 2012

Mr. Shepherd G. Pryor, IV
Director
Hartford Computer Group, Inc.

RE: Chapter 11 Professional Services

Dear Shepherd:

This letter is to confirm the arrangements under which Silverman Consulting ("Silverman") will act as the responsible party for Hartford Computer Group, Inc. and related entities (collectively "Hartford" or "the Companies") during its Chapter 11 proceeding.

Silverman would serve as the responsible party as well as assist Hartford's legal advisors during the Chapter 11 proceeding. Projects that Silverman would be involved with include, but are not limited to, the following:

1. Oversight and review of the final post-closing adjustments;
2. Assisting the buyers with any post-closing transitional matters;
3. Oversight and review of the information necessary to reconcile customer accounts;
4. Oversight and review of state and federal tax returns;
5. Attend meetings and assist in discussions with the creditors' committee, the U.S. Trustee, and other interested parties, to the extent necessary;
6. Assist in providing support for any on-going litigation matters;
7. Assisting with the post-petition reporting requirements;
8. Assist in and oversee the claims administration, avoidance action and creditor distribution process, to the extent necessary;
9. Assist the Companies' legal counsel, to the extent necessary, with the development of the plan of liquidation;
10. Manage, maintain and control the financial management aspects of the Companies post-closing, including preparation of the necessary accounting and disbursement of necessary expenses;
11. Assist in the wind-down of all remaining entities; and
12. Render such other services or such other assistance as the Companies' counsel may deem necessary that are consistent with the role of a responsible party and not duplicative of services provided by other professionals in this proceeding.

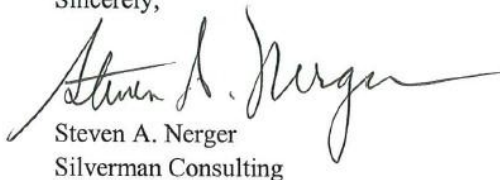


Inasmuch as it is difficult to foresee what our total fees and disbursements will be and since we cannot predict the course of this matter, Hartford understands and agrees that Silverman will bill Hartford at its normal rates of \$140 to \$650 per hour for its services, plus any costs and expenses incurred by Silverman on behalf of the Companies. However, Silverman agrees that its aggregate fees through August 31, 2012 will be capped at a total amount of \$125,000.

This document contains our entire agreement pertaining to our retention. There are no representations, guarantees, or promises other than those expressly set forth herein. We have made no guarantees regarding the disposition of any phase of the Companies' matters.

If this agreement is satisfactory to you, please indicate such acceptance and agreement by signing and returning the enclosed copy.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steven A. Nerger', is written over a horizontal line.

Steven A. Nerger
Silverman Consulting

THE ABOVE IS UNDERSTOOD, APPROVED AND AGREED TO THIS 29th DAY OF
MARCH, 2012

BY: HARTFORD COMPUTER GROUP, INC.

A handwritten signature in black ink, appearing to read 'Shepherd G. Pryor, IV', is written over a horizontal line.

Shepherd G. Pryor, IV, Director

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:)	BK No.: 11-49744
HARTFORD COMPUTER HARDWARE,)	(Jointly Administered)
INC., et al.)	Chapter: 11
)	Honorable Pamela S. Hollis
)	
Debtor(s))	

ORDER GRANTING DEBTORS' APPLICATION FOR AN ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363(b) AUTHORIZING THE EMPLOYMENT AND RETENTION OF SILVERMAN CONSULTING AND STEVEN NERGER AS CHIEF RESTRUCTURING OFFICER NUNC PRO TUNC TO APRIL 3, 2012

This matter having come before the Court upon Debtors' Application for an Order Authorizing the Employment and Retention of Silverman Consulting and Steven A. Nerger As Chief Restructuring Officer Nunc Pro Tunc to April 3, 2012 (the "Application" and all capitalized terms used herein having the same meaning as set forth in the Application unless otherwise so stated), the Court, having reviewed the Application and the Silverman Declaration and having heard the statements of counsel in support of the relief requested in the Application at the hearing before the Court (the "Hearing"), finds that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, this is a core matter pursuant to 28 U.S.C. § 157(b)(2), notice of Application and the Hearing were sufficient under the circumstances and that no further notice need be given, nunc pro tunc retention is necessary and appropriate under the circumstances, and the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein,

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. All objections to the Application or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Debtors are authorized, effective as of April 3, 2012, to employ and engage Silverman and employees thereof, including Mr. Nerger as chief restructuring officer, on the terms set forth in the Engagement Letter.
4. Silverman shall be, and hereby is, authorized to perform any and all services for Debtors as set forth in the Engagement Letter.
5. Silverman shall be compensated for such services and reimbursed for all actual, necessary and reasonable expenses or other disbursements incurred in connection with such services in accordance with the Engagement Letter.
6. Silverman is not required to submit fee applications pursuant to sections 330 and 331 of the Bankruptcy Code, but shall comply with the following procedures:

a. No earlier than the 20th day of each calendar month, Silverman shall serve a copy of its monthly invoice (the “Monthly Statement”) for the prior month (the “Compensation Period”) on: (i) the Office of the United States Trustee; (ii) counsel to Debtors; (iii) counsel to Debtors’ prepetition secured lender and post-petition secured lender, Delaware Street Capital Master Fund, L.P.; and (iv) counsel to Committee appointed in the Debtors’ cases (collectively, the “Notice Parties”).

b. Each Notice Party will have ten (10) days after service of a Monthly Statement to object thereto (the “Objection Deadline”). Upon the expiration of the Objection Deadline, Debtors shall be authorized to pay Silverman the amounts requested.

c. If any Notice Party objects to a Monthly Statement, it must file with the Court and serve on Silverman and each of the Notice Parties, a written objection (the “Objection”), which must be received by Silverman and the Notice Parties on or before the Objection Deadline. Debtors are authorized to pay Silverman all amounts not subject to the Objection. Thereafter, the objecting party and Silverman may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution of the Objection within twenty (20) days after service of the Objection, Silverman may file a motion seeking resolution of the Objection with the Court.

6. This Order is effective as of April 3, 2012.

7. The Court will retain jurisdiction to continue and enforce the terms of the Application, the Engagement Letter, and this Order.

Enter:

Honorable Pamela S. Hollis

United States Bankruptcy Judge

Dated:

Prepared by:

John P. Sieger (ARDC No. 6240033)
Peter A. Siddiqui (ARDC No. 6278445)
Paige E. Barr (ARDC No. 6282474)
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Counsel to Debtors and Debtors in Possession