

**EXHIBIT 4**

**Liquidation Analysis**

## **Rural/Metro Corporation, et al. Liquidation Analysis**

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Pursuant to section 1129(a)(7) of the Bankruptcy Code (the “Best Interests Test”), with respect to each impaired class of Claims or Interests, each holder of a Claim<sup>1</sup> or equity interest of such class must either: (i) vote to accept the Plan; or (ii) receive or retain under the Plan on account of such Claim or interest property of a value, as of the Effective Date, that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

In determining whether the Best Interests Test has been met, the first step is to determine the recovery each Claim or Interest holder would receive in a hypothetical liquidation of the Debtors’ assets in a chapter 7 proceeding. The gross amount of Cash available would be the sum of the proceeds from the disposition of the Debtors’ assets and the Cash held by the Debtors upon the Effective Date of their hypothetical chapter 7 cases. The gross amount of Cash would be reduced by the costs and expenses of the liquidation, the amount attributable to collateral pledged to a claimant on account of an allowed Secured Claim and/or super-priority secured claim, and the amounts necessary to satisfy, among other things, Administrative Expense Claims and Priority Tax Claims. Any remaining Cash would be available for distribution to holders of Allowed Claims in accordance with the Bankruptcy Code.

The Debtors’ liquidation analysis (the “Liquidation Analysis”) reflects management’s projection of the proceeds that may be realized by the forced sale of the Debtors’ assets, and the potential distributions to holders of Allowed Claims in accordance with chapter 7 of the Bankruptcy Code (“Chapter 7”).

The Liquidation Analysis is based on a number of projections, estimates and assumptions made by management with respect to future events. Although management developed and prepared the Liquidation Analysis in good faith and believes the projections, estimates and assumptions to be reasonable, it is important to note that the Company can provide no assurance as to the accuracy of such projections, estimates and assumptions, as they are inherently subject to significant economic and competitive uncertainties and contingencies beyond the control of management, and are based upon present assumptions as to future events which could change based upon a change in circumstances. Accordingly, there can be no assurance that the values and the costs reflected in the Liquidation Analysis will be realized if the Debtors were, in fact, to undergo liquidation under Chapter 7.

The Liquidation Analysis may be helpful to holders of Claims entitled to vote in reaching a determination of whether to vote to accept or reject the Plan. Holders of Claims entitled to vote are encouraged to compare the estimated recovery shown in the Liquidation Analysis to those estimated under the Plan as detailed in the Disclosure Statement.

**The Liquidation Analysis should be read in conjunction with the following notes and assumptions and in conjunction with the assumptions, qualifications and explanations set forth in the Disclosure Statement and the Plan in their entirety. In the event the Plan is not consummated consistent with all notes and assumptions stated herein, the Debtors believe the results as stated herein could be materially different.**

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to such terms in either the Disclosure Statement or the Plan, as applicable.

**Assumptions:**

For the purpose of the Liquidation Analysis, the Debtors considered many factors and made certain assumptions. Those assumptions that the Debtors consider significant are described below. Holders of Claims entitled to vote must make their own determinations as to the reasonableness of such assumptions.

**1. General**

- a. **Conversion:** Each of the Chapter 11 cases is converted to a hypothetical Chapter 7 on December 31, 2013 (the "Conversion Date").
- b. **Consolidation:** The Liquidation Analysis was prepared on a consolidated basis and reflects the liquidation of assets and recoveries of all of the Debtors' entities.
- c. **DIP Claims:** The Liquidation Analysis assumes that the Chapter 7 trustee is able to reach agreement with the DIP lenders to liquidate their collateral as part of the Chapter 7 liquidation. If an agreement cannot be reached or if the Chapter 7 trustee is forced to expedite the sale process to satisfy the DIP lenders, the ultimate recovery from the sale of the Debtors' assets may be materially less than the amounts estimated in the Liquidation Analysis.
- d. **Duration of Liquidation:** The Liquidation Analysis assumes that the Debtors' shut-down certain business operations immediately and transition other business operations that are critical and public safety-related to alternative providers over a three-month period after the Conversion Date (the "Transition Period"). After the Transition Period, the Liquidation Analysis assumes that the Debtors maintain a substantially scaled-down billings and collections operation, for six months, to ensure maximum recovery on the accounts receivable ("Runoff Collections Period"). During the Transition Period and Runoff Collections Period, all of the Debtors' assets would either be sold or conveyed to the applicable lien holders and the Cash proceeds, net of liquidation-related costs, would be available for distribution to holders of Allowed Claims.

**2. Assets**

- a. **Cash:** Unless otherwise noted, Cash is based on unrestricted Cash balances.
- b. **Accounts receivable, net:** The Debtors are owed amounts primarily based on ambulance and fire services provided to customers. This Liquidation Analysis assumes that certain staff will be retained for up to nine months after the Conversion Date to collect receivables, and that 70 to 90 percent of the net accounts receivable would be recovered.
- c. **Inventory:** Includes medical equipment, medical supplies, and ambulance and fire fleet auto parts, which are assumed to have minimal value in the context of a hypothetical Chapter 7.
- d. **Fixed Assets:** Includes land and buildings, equipment, capital clearing (equipment being prepared for deployment), and vehicles. For purposes of this Liquidation Analysis, it is assumed that all post-petition, and certain pre-petition operating liabilities including vehicle transfer taxes, are assumed by the buyer of each of the assets and the recovery estimates reflect offsets for these expenses.

- e. **Other Assets:** Includes prepaid insurance and workers compensation policies, insurance receivables, goodwill, intangibles, deposits and other assets which are expected to have minimal value in the context of a hypothetical Chapter 7.

**3. DIP Facility and Carve-Out Claims**

- a. **DIP – Carve-Out Claims:** Represents incurred, budgeted, and unpaid professional fees through the Conversion Date and additional estimated professional fees up to the Carve-Out fee cap pursuant to the DIP Order.
- b. **DIP Facility Claims:** Includes repayment of the DIP principal balance, including PIK interest, and DIP facility interest and fees for six months after the Conversion Date.

**4. Liquidation Expenses**

- a. **Shutdown operating expenses:** The Liquidation Analysis assumes that the Debtors' would continue to incur significant ongoing operating costs, including the cost of winding down and transitioning customer agreements to alternative providers in a manner that does not jeopardize public health and safety during the Transition Period, and the cost of maintaining certain billings and collections staff to continue to collect on receivables during the Runoff Collections Period. In addition, it is likely that customers may cease payments during the Transition Period.
- b. **Trustee fees:** The Liquidation Analysis assumes that the chapter 7 trustee would be compensated in accordance with the requirements of the Bankruptcy Code.
- c. **Trustee financial and legal advisors:** Due to the complex nature of the Debtors assets and given that the Chapter 7 trustee and, to the extent applicable, the trustee's professionals, must familiarize themselves with, among other things, the Debtors, their assets and the potential claims of and against the assets, the Liquidation Analysis assumes that the Chapter 7 trustee would incur significant professional fees in the context of a Chapter 7 liquidation.
- d. **Priority tax claims:** The Liquidation Analysis assumes certain taxes due would be deemed to be Priority Tax Claims.

**5. Estimated Recoveries**

- a. **Amount of Allowed Claims:** The liquidation and allowance of claims is an uncertain process. The actual amount of Allowed Claims could vary materially from the estimated amounts contained in the Liquidation Analysis.
- b. **Administrative Expense Claims:** The Liquidation Analysis assumes that unpaid payables that accrued following the Commencement Date will be deemed Administrative Expense Claims.
- c. **Secured Lender Claims:** The Liquidation Analysis assumes the Secured Lenders have a perfected security interest in the assets of the Debtors as set forth in the DIP Order.
- d. **Other Secured Claims:** Represents, in part, capital leases. The Liquidation Analysis assumes that this collateral would be conveyed to the lessors.

**Rural/Metro Corporation, et al.**  
**Liquidation Analysis**  
**Unaudited**  
(\$ in millions)

<b>Asset Category</b>	<b>Amount (1)</b>	<b>Recovery %</b>		<b>Recovery \$</b>		<b>Notes</b>
		<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>	
Cash and cash equivalents	\$65.9	100%	100%	\$65.9	\$65.9	
Accounts receivable, net	91.2	70%	90%	63.8	82.1	
Inventory	7.5	21%	33%	1.6	2.5	(2)
Fixed Assets	83.2	56%	66%	46.9	54.9	(3)
Other assets	724.3	0%	1%	2.0	4.2	(4)
<b>Total</b>	<b>\$972.1</b>	<b>18.5%</b>	<b>21.6%</b>	<b>\$180.2</b>	<b>\$209.5</b>	
<b>Gross Liquidation Proceeds Available</b>				<b>\$180.2</b>	<b>\$209.5</b>	
DIP - Carve-Out claims				\$6.8	\$6.8	(5)
DIP - facility claims				80.2	80.2	(6)
<b>Net Liquidation Proceeds Available</b>				<b>\$93.2</b>	<b>\$122.6</b>	
<b>Chapter 7 Liquidation Expenses</b>						
Net winddown operating expenses				\$18.1	\$12.0	(7)
Trustee fees				5.4	6.3	(8)
Trustee financial and legal advisors				6.0	3.0	
Priority tax claims				0.2	0.2	
<b>Total Proceeds Available for Distribution</b>				<b>\$63.6</b>	<b>\$101.1</b>	
Administrative Expense Claims	\$17.0	0.0%	0.0%	-	-	(9)
Class 1: Priority Non-Tax Claims	0.0	0.0%	0.0%	-	-	
Class 2: Secured Lender Claims	427.3	14.8%	23.5%	\$63.1	\$100.5	(10)
Class 3: Other Secured Claims	2.5	21.4%	24.4%	0.5	0.6	(11)
Class 4: Noteholder Claims	312.2	0.0%	0.0%	-	-	(12)
Class 5: Other Unsecured Claims	109.2	0.0%	0.0%	-	-	(13)
Class 6: Existing Common Stock Interests	243.2	0.0%	0.0%	-	-	(14)
Class 7: Existing Securities Laws Claims	-	0.0%	0.0%	-	-	
<b>Total Claims / Recoveries</b>	<b>\$1,111.4</b>			<b>\$63.6</b>	<b>\$101.1</b>	

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**Notes to Liquidation Analysis**

1. Asset category amount is based on 7/31/13 book value (assumed to be materially similar to 12/31/13 book value), except for (i) cash or cash equivalents, which represents the estimate of cash balance as of 12/31/13 and (ii) reduction in book value of land and buildings reflecting the pending sale of the Granite Reef property.
2. Inventory includes medical supplies and vehicle fleet auto parts.
3. Fixed assets include net book value of land and buildings, leasehold improvements, equipment and vehicles.
4. Other assets include prepaid assets, insurance receivables, goodwill and intangibles, deposits and other assets.
5. Reflects incurred but unpaid professional fees through the Conversion Date, plus \$2 million fee cap per DIP agreement.
6. Includes DIP facility principal, capitalized PIK interest, and default cash interest after the Conversion Date.
7. Reflects three-month process for customers to transition to alternate providers, with an additional trailing six-month period to finalize collections.
8. Assumes Trustee fee at 3% of proceeds.
9. Administrative expenses reflect post-petition accounts payable balance at the end of the Runoff Collections Period.
10. Claim reflects outstanding principal and excludes interest, as debt service is assumed to continue to be paid through the Conversion Date in accordance with the DIP Order.
11. Recovery reflects certain capital leases secured by ambulances.
12. Noteholder Claims reflect principal, less unaccreted original issue discount (OID), plus accrued interest.
13. Other Unsecured Claims include estimates of trade claims as of the petition date, contract rejection claims, lease rejection claims, surety claims, and undersecured insurance claims.
14. Existing Common Stock Interests represent paid-in capital as of 7/31/13.