QORVAL

red2black

Creditor Recovery Services
Statement of Qualifications

April 2011

OVERVIEW

Qorval is an international business advisory firm providing financial restructuring, operational turnaround and management services across a broad range of industries to private equity groups, lenders/creditors and stakeholders of underperforming or troubled enterprises. By assuming a physical presence in the operations, Qorval takes accountability for delivering measurable value in all aspects of financial, organizational, operational and technical infrastructure to ensure results.

Qorval is unique for the industry in the speed with which it can introduce highly-specialized individuals into your organization to assess the situation, define the issues, make recommendations and implement changes. All of our professionals are required to have hands-on operating experience. When a Qorval representative is assigned to your engagement, you can be assured that they are qualified, knowledgeable, and ready to begin the assessment, recommendation and implementation process immediately.

Not only do we have experienced and specialized people, but we have developed a uniquely integrated approach. Depending on the situation, the needed turnaround strategy may be financial, operational, strategic and/or cultural in nature. We match our personnel and services to precisely fit your needs.

ADVISORY SERVICES

Qorval is a full service boutique restructuring firm that brings best in class results for our clients across many industry sectors.

Continuum of Turnaround and Restructuring Services

Early Stage Distress / Underperformance

- Interim Management (CEO, CFO, COO)
- Accelerated Strategic Assessments
- Financial Reporting and Controls
- Lender Amendments and Refinancing
- Strategic Alternatives
- Operational Performance Improvement
  - Revenue Enhancement
  - Cost Realignment / Benchmarking
  - Supply Chain
- Due diligence
- Business Plan Assessment
  - Feasibility
  - Execution Risks
  - Alternative Options

Late Stage Distress / Insolvency

- Crisis Management (CRO, CEO, CFO)
- Trustee and Receivership Appointments
- Liquidity & Working Capital Sourcing
- Complex Creditor Negotiation / Mediation
- Asset Sales (363 Sales)
- Insolvency / Bankruptcy Proceedings
  - First Day Motions
  - Statements & Schedules
  - Claims Resolution
  - Employee / Vendor Communications
  - Valuation Testimony
  - Plan of Reorganization Development
  - Plan Feasibility Testimony

Creditor Recovery

- Post-Confirmation Creditor Recovery
  - Estate Administration
    - Bankruptcy
    - Non-Bankruptcy
  - Trustee Role
  - Cash Management
  - Tax Matters
  - Run-offs
  - Claims Resolution
    - Litigation Support
    - Avoidance Actions
    - Fraudulent Transfers
  - Non-Claims Related Litigation
    - D & O
    - Tort and other Liability

CREDITOR RECOVERY SERVICES

CREDITOR RECOVERY SERVICES

As a complement to our restructuring practice, Qorval's Creditor Recovery Services has developed a practice group that assists clients with the realization of assets through a liquidation or a post-confirmation wind down process. Common areas of this practice include:

- Liquidation of Assets
    - Maximize value of challenging assets including developed and undeveloped industrial and commercial real estate
    - Identify/liquidate intangible assets such as environmental credits, tax refunds, patents/trademarks and litigation related recoveries
    - Develop "out of the box" strategies to package and present assets for sale
- Litigation Support
    - Expertise in support of attorneys in complex financial matters, such as fraudulent conveyances
    - Experience in writing Expert Reports and offering Expert Testimony
    - Experience in recognizing the options for Accounts Receivable recovery
    - Experience in support of attorneys in litigating employee matters
    - Experience in forensic accounting work

CREDITOR RECOVERY SERVICES (CONTINUED)

- Preference Support and Analysis
  - Expertise in data extraction from accounting systems
  - Analysis of data using proprietary statistics based methodology
  - Rapid generation of exhibits using VBS programming to replicate analyses
  - Exhibits produced and stored in folders for efficient use by attorneys
- Estate Administration
  - Cash management, budgeting and funding of post-confirmation activity
  - Research on hidden assets such as tax refunds, insurance policy sales, and prepaid services
  - Meticulous care in identifying assets left behind after 363 asset sales
  - Domestic and International tax matters
  - Historical records management
  - Corporate Dissolution Services

CREDITOR RECOVERY SERVICES (CONTINUED)

- Claims Resolution
  - Management of claims resolution in proprietary database software offering claims management status reports and facilitating:
    - Efficient data collection and claims negotiation records maintenance
    - Success in eliminating unwarranted claims
    - Accurate recording of claim ownership histories
    - Descriptive objection exhibit generation
    - Effective distribution processing
  - Resolution/litigation of complex claims (tax, environmental, trade, HR related)
  - Reject/negotiate complex contracts and leases

LIQUIDATION OF INDUSTRIAL REAL PROPERTY

Qorval CRS is uniquely qualified to handle the intricacies of managing and selling Shuttered and Operating Industrial Real Property.

- Qorval Experience
  - Qorval personnel have worked in liquidating industrial facilities both in and out of bankruptcy.
  - Industrial land sales were managed for Durango Georgia Paper Company, Wickes Lumber, Spinnaker Coatings, Anchor Glass Container, Recoton, and Astro Power.

- Holding and Maintaining Properties Before Sale
  - If a facility is in operation, it is essential that oversight is provided to assure that operating standards are maintained. Qorval's personnel have the necessary manufacturing operating experience to handle this task.
  - If a facility is shuttered, it is critical to assess the status of the shut down. In hasty shut downs, manufacturing facilities are frequently left in an unsecured condition and vulnerable to the elements. Qorval has experience in supervising secured facility shut downs.
  - There are numerous environmental requirements for shuttered facilities. Qorval has experience in promoting compliance.

LIQUIDATION OF INDUSTRIAL REAL PROPERTY (CONTINUED)

- Preparation for Sale of Industrial Property
  - Facilities vary in their need for intervention and decommissioning in preparation for a sale. If nothing is done, sale prices will be lowered substantially due to the buyer's increased risk.

- Property Sale
  - Qorval has worked independently in finding buyers and has worked with local and national firms to optimize recoveries.
  - Qorval has organized and managed large auctions of properties.
  - Qorval has structured purchase agreements for the sale of industrial property, identifying critical elements with regard to the performance of the buyer and the seller.

REPRESENTATIVE ENGAGEMENTS

REPRESENTATIVE ENGAGEMENTS

BJI BROWN JORDAN INTERNATIONAL

Vivitar we make it easy

PRIMUS INTERNATIONAL

UHS Universal Hospital Services

Anchor Glass Container Corp.

syntaxbrillian

RINKER

Godfrey MARINE

AVborne

Purolator

DEE HOWARD Aircraft Maintenance, L.P.

Cenveo

VCL Direct A Division of VisionCapital Logistics LLC

PENNZOIL

Polaroid

AMETEK

GRIMES AEROSPACE

WNA

ADS Logistics, LLC Supply Chain Solutions for the Metals Industry

KRAFT CONSTRUCTION COMPANY, INC.

CF Citizens First Bancorp, Inc.

ROTOMETRICS

Facet

METI

BarrierSafe Solutions International

American Asphalt & Grading Company

IDEAL IMAGE

dig COMMUNICATIONS

Harbor TECHNOLOGIES

Gulf Fleet

DURANGO - GEORGIA PAPER COMPANY

REPRESENTATIVE ENGAGEMENTS

SELECT POST-CONFIRMATION ROLES

CASE STUDY: DURANGO GEORGIA PAPER COMPANY – POST CONFIRMATION

Durango-Georgia Paper Company, was a manufacturer of a variety of paper products, producing up to 1000 tons of paper per day with annual pre-petition sales of approximately $270 million.

Opportunities/Challenges:

- High costs, a plant explosion and outdated equipment forced the Company to close and file for bankruptcy in 2002.
- The Company did not liquidate the assets of the estate prior to the confirmation of the Plan of Liquidation.
- Challenges included a negative cash position, a tax lien on substantial assets, significant outstanding litigation, un-reconciled claims and potential preference actions of $20 million.

Solutions:

- Sold processing equipment, aggressively pursued causes of action, cut unnecessary staff and professional assistance.
- Analyzed approximately $20 million in potential preference payments and utilized proprietary claims management software to reconcile claims.
- Engaged a national marketing firm to find potential buyers interested in re-starting the mill or developing the property into a multi-use community.

Results:

- The estate has transitioned from one with little available cash to a comfortably solvent position
- As a defensive measure, the ownership of a negative cash flow entity, St. Marys Railroad LLC, was assumed from the Debtor's Mexican parent in order to protect development rights to the mill property
- The railroad returned profitability shortly after being acquired, and it added significant value to the Durango bankruptcy estate.
- On December 15, 2005 the Bankruptcy Court approved the sale of the mill property and the railroad to LandMar Corporation , a Jacksonville real estate development subsidiary of Duke Energy, and the sale of the mill equipment and non-contiguous real estate totaling another 2,000 acres for a total purchase price of approximately $42 million.
- Since the sale, Landmar declared bankruptcy and the land has been required by the Durango bankruptcy estate. Distributions already made have exceeded creditor committee expectations.

CASE STUDY: POLAROID – POST CONFIRMATION

Polaroid Corporation, the originator and formerly the world's largest producer of instant photo films and cameras. Due to the market share gains of digital photography, film based product sales materially declined. Polaroid was unable to re-capitalize its balance sheet to manage its business at significantly lower sales levels. As a result, Polaroid filed for bankruptcy protection. The company used the court process to manage a sale of substantially all of its assets to One Equity Partners.

Opportunities/Challenges:

- The Company needed to make a smooth transition to a non-operating post-confirmation status and manage both preferred and common stock in "New Polaroid" received in the sale.
- Additionally, the remaining liabilities, which included over 9,000 filed and scheduled unsecured claimants, were the responsibility of the estate to resolve.

Solutions:

- A Qorval professional served as Plan Administrator and was assisted by other team professionals.
- The team aggressively implemented a claims resolution process reducing total gross unsecured claims from over $5 billion to $1 billion in value, utilized proprietary preference software to evaluate potential causes of actions and pursued other causes of action.
- Managed a multi-faceted litigation strategy targeted at increasing return to the general unsecured creditors.

Polaroid

Results:

- Efficiently and effectively managed the wind down of the estate including the sale and redemption of the stock received by the estate in New Polaroid and the prosecution of preference actions.
- Recovered in excess of $4.0 million in insider preferences for the estate.
- Completed 4 distributions of the publicly traded stock to over 7,000 stakeholders, as well as multiple cash distributions
- As a result, the projected distribution per $1 claim after the sale of substantial assets has increased from an original projection of $0.10 to $0.14.

CASE STUDY: ADS LOGISTICS, LLC – POST CONFIRMATION

The predecessor company was AgriBioTech, Inc. (ABT), a $300 million roll-up of a series of agricultural-related entities.

Opportunities/Challenges:

- The Company liquidated virtually all operating assets, and needed a way to improve an expected low return to creditors.
- Following the confirmation of the debtors' plan of reorganization, the ABT Creditor Trust was established to liquidate the debtors' remaining assets, reconcile outstanding claims, prosecute avoidance and other actions and dissolve the outstanding corporate entities.

Solutions:

- A Qorval professional a member of the team that served the Trustee.
- They successfully pursued causes of action, adding over $46 million to the estate.
- Claims against the estate were reduced by 78 percent.

Results:

- Secured and priority claims were paid in full .
- At confirmation, unsecured creditors were expected to receive a distribution of approximately $.03 per $1 claim ($2 million).
- These efforts have resulted in the return of $.325 per $1 unsecured claim ($ 38 million) and certain stakeholders have realized as much as 60% on their combined unsecured and agreed secured claims for a total recovery of $53 million.

QORVAL CREDITOR RECOVERY SERVICES, LLC - KEY PEOPLE

MARK S. STICKEL, MANAGING DIRECTOR AND PRESIDENT

QORVAL CRS
4301 Anchor Plaza Parkway, Suite 360
Tampa, Florida   33634
(813) 286-2717 (office)
(813) 294-8494 (cell)
(813) 286-2740 (fax)

mstickel@qorval.com

Mark Stickel is a Managing Director and President of QORVAL Creditor Recovery Services, joining the firm in June, 2011 . Mr. Stickel Manages all elements of post-confirmation Trusts emerging from Chapter 11 debtors, liquidations for the benefit of creditors in out-of-court proceedings, and assignments for Creditors' committees prior to the confirmation of debtors' plans of reorganization.

Education & Certification

BSBA – The Ohio State University

Prior Experience

Prior to joining QORVAL, Mr. Stickel was a Managing Director with Bridge Associates. Also previously, he acted as Administrative Trustee of the Anchor Liquidating Trust, after confirmation of the Anchor Glass Container bankruptcy proceeding.   At Anchor, he served in a variety of positions, including Chief Financial Officer, Director of Financial Planning and Analysis, Director of Corporate Accounting, Manager of Plant Accounting and Plant Controller.

MARK S. STICKEL (CONT.)

Representative Engagements

- Currently, Mr. Stickel is the sole surviving officer of Wadley Regional Medical Center and is liquidating the estate for the benefit of general unsecured creditors.
- Mr. Stickel was the Creditor Trustee for the *Huffy Unsecured Creditors,* an entity created for the benefit of unsecured creditors of Huffy, Inc., a manufacturer of recreational and sports related bicycles.
- Mr. Stickel was the Trustee of the trust created for the benefit of unsecured creditors of *Amcast Industrial Corporation*, a supplier of copper and brass plumbing fittings for a variety of construction markets and a supplier of aluminum wheels to OEM automotive manufacturers.
- Member of the QORVAL Wind Down Team liquidating the estate of *Durango Georgia Paper* on behalf of its unsecured creditors. In that role, Mr. Stickel is providing expert advice to the Team. Prior to filing for bankruptcy, the Company had annual revenue of $270 million and produced a variety of paper products.
- Mr. Stickel was the Trustee for the *JRCC* Unsecured Creditor Liquidating Trust. The predecessor Company, James River Coal Company, was a $200 million annual revenue coal mining company with approximately 1,400 employees.
- Served as Liquidating Trustee for *Spinnaker Coatings, Inc*., a $125 million annual revenue (pre-petition) manufacturer of coatings for application on all manner of paper substrates.

Representative Engagements

- Served as Plan Agent for the *Polaroid Corporation*, the originator and formerly the world's largest producer of instant photo film and cameras with pre-petition annual revenue of approximately $1 billion.
- Served as Liquidating Trustee for *Recoton Corporation*, formerly a global leader in the distribution of consumer electronics accessories and home and mobile audio products, with annual pre-petition revenue of $650 million.
- Member of the Wind Down Team for the ABT Creditor Trust estate, which is liquidating the estate of *AgriBio Tech, Inc*. and managing and prosecuting related litigation. The Company was a $300 million annual revenue producer of genetically engineered cold weather forage and lawn seed products. In that role, Mr. Stickel has managed day-to-day business affairs of the estate.
- Served as Plan Agent responsible for the final liquidation and distribution of assets of *Dee Howard Aircraft Maintenance, LLP,* a $60 million (pre-petition) annual revenue company providing repair and maintenance services for large commercial aircraft.
- Member of the Wind Down Team for *TransCom USA*, a $300 million annual revenue (pre-petition) heavy duty truck parts distributor.
- Mr. Stickel is the Creditor Trustee for the Sheldon Good Creditor Trust, an entity created for the benefit of the unsecured creditors of Sheldon Good Real Estate Auctions.

MARK S. STICKEL (CONT.)

Representative Engagements

- Member of the Wind Down Team for *InaCom Corporation*., a $5.9 billion (pre-petition) reseller of computer services and hardware. In that role, Mr. Stickel was responsible for rejecting or selling approximately 130 real properly leases.
- Serves as Liquidating Trustee for *Tropical Sportswear*, a retailer of private branded apparel products.

Professional and Civic Activities

- Member, Turnaround Management Association
- Member, American Bankruptcy Institute

MICHAEL L. NEWSOM, MANAGING DIRECTOR

QORVAL CRS

4301 Anchor Plaza Parkway, Suite 360
Tampa, Florida   33634
(813) 286-2718 (office)
(727) 515-8949 (cell)
(253) 498-6182 (fax)

mnewsom@qorval.com

Michael L. Newsom is a Managing Director at QORVAL Creditor Recovery Services and Manages all elements of post-confirmation Trusts emerging from Chapter 11 debtors, liquidations for the benefit of creditors in out-of-court proceedings, and assignments for Creditors' committees prior to the confirmation of debtors' plans of reorganization. Mr. Newsom also provides bankruptcy administration technical services

Education & Certification

BS Chemical Engineering – University of Toledo

MBA – University of Toledo

Prior Experience

Mr. Newsom was formerly a Director at Bridge Associates and he was the former president of Manufacturing Environmental Associates, a consulting firm specializing in advising companies with environmental and manufacturing process issues. In that capacity, and in former work experience he managed projects to decommission and sell manufacturing plants in several states, and also developed major trades of air emissions credits. Mr. Newsom was also Director of Engineering at Anchor Glass Container Corporation.

MICHAEL L. NEWSOM, (CONT.)

Representative Engagements

- Manages operations of the Bridge Wind Down Team for *Durango Georgia Paper Company*. Prior to filing for bankruptcy, the Company had annual revenues of $270 million and produced a variety of paper products.
- Managed operations of the Bridge Wind Down Team for *Recoton Corporation,* which prior to bankruptcy was a $650 million distributor of consumer electronics.
- Member of the Bridge Strategic Assessment Team evaluating *Hunt Valve,* a supplier of equipment to the US Navy with annual revenue of approximately $40 million.
- Member of Bridge's Crisis Management Team for *Crown Central Petroleum Corporation*, a multi-billion dollar operator of refineries, and a wholesale and retail distributor of petroleum and convenience products.
- Member of the Bridge Wind Down Team for *InaCom Corporation*, a $5.9 billion reseller of computer services and hardware. He was responsible for the management, analysis and prosecution of over 100 preference actions with a face value in excess of $200 million.

Representative Engagements

- Assisted various Bridge teams in the evaluation of preference actions including: *Conseco Finance Corporation*, a sub-prime lender and servicer of mortgage portfolios with assets of approximately $25 billion with potential preference actions with a face value of approximately $74 million, *Wickes Inc*., a $450 million supplier of building materials to the construction and home building industry with potential preference actions with a face value of $98 million, and *James River Coal, Inc.,* a $200 million annual revenue (pre-petition) coal mining company with approximately 1,400 employees with potential preference actions with a face value of $55 million.

Bankruptcy Technical Services

- Mr. Newsom developed a sophisticated statistical computer model used to evaluate ordinary course and new value defenses in both the prosecution and defense of preference actions. This model is fully automated, allowing the creation of multiple exhibits very efficiently. Service related to this program are available to bankruptcy professionals.
- Mr. Newsom also developed a claims data base system that offers comprehensive options for the management and reconciliation of claim that can be easily modified by the user.
- Services or software can be provided for the generation of the Statement of Financial Affairs ,and the Summary of Liabilities and Assets reporting.

Professional and Civic Activities

- Member, American Bankruptcy Institute
- Past Chair of Hospice of South Florida Gala

PAUL E KEIPPER, MANAGING DIRECTOR

QORVAL CRS

4301 Anchor Plaza Parkway, Suite 360
Tampa, Florida 33634
(813) 286-0420 (office)
(813) 390-7903(cell)

pkeipper@qorval.com

Education & Certification

BS - The Ohio State University

BS – University of South Florida

MBA – University of South Florida

Paul E. Keipper is a Managing Director at QORVAL Creditor Recovery Services and has more than 33 years of experience in accounting, finance and information systems. He has managed the many fundamentals of post confirmation liquidating Trusts. Mr. Keipper is experienced in providing specialized bankruptcy administration services including preference analysis as well as claims management.

Prior Experience

Mr. Keipper was formerly an Associate at Bridge Associates LLC and the Director of Financial Planning and Analysis for Anchor Glass Container Corporation ("Anchor"), a multinational glass container producer with annual revenues of approximately $800 million. At Anchor, Mr. Keipper was responsible for implementing a financial reporting system for internal operations and worked closely with the Company's investment bankers in successfully obtaining a capital infusion. He also served as Anchor's Director of Corporate Accounting, responsible for managing the general ledger systems as well as accounting service departments.

PAUL E. KEIPPER (CONT.)

Representative Engagements

- Member of the Bridge Wind Down team for *Wadley Health Systems*. In this role Mr. Keipper was responsible for managing cash flow, building management, tax returns, preference analysis and claims reconciliation
- Member of Bridge's team serving as Restructuring Advisor to *Renaissance Health Systems, Inc.,* a owner / operator of five hospitals in Texas.
- Member of the Bridge Financial and Operational Restructuring Team for *Columbia Aircraft Manufacturing Corp*, a privately owned manufacturer of light general aviation aircraft.
- Member of the Bridge Wind Down team for *ProCare Automotive Service Solutions* LLC responsible for claims distribution and preference analysis.
- Member of the Bridge Team serving as Restructuring Advisor to *Senior Management Services of America*, an $80 million operator of skilled nursing facilities.
- Member of the Bridge team serving the Creditor Trustee for the Huffy Recovery Trust, an entity created for the benefit of unsecured creditors of *Huffy, Inc.*, a manufacturer of recreational and sports related bicycles.
- Member of the Bridge Wind Down Team for *Durango Georgia Paper Company.* A $270 million (pre-petition) annual sales paper products company. In that role, he was responsible for analyzing potential preference actions with a face value of $20 million.

Representative Engagements

- Member of the Bridge team assisting the Liquidating Trustee for *Recoton Corporation*, formerly a global leader in the distribution of consumer electronics accessories and home and mobile audio products, with annual pre-petition revenue of $650 million.
- Member of the Bridge Wind Down Team for *James River Coal, Inc.*, a $200 million annual revenue (pre-petition) coal mining company with approximately 1,400 employees. In that role, he was responsible for analyzing potential preference actions with a face value of $55 million.
- Member of the Bridge Wind Down Team for *Conseco Finance Corporation*, a sub-prime lender and servicer of mortgage portfolios with assets of approximately $25 billion. He was responsible for analyzing potential preference actions with a face value of approximately $74 million.
- Member of the Wind Down Team for *Wickes Inc.*, a $450 million pre-petition annual revenue supplier of building materials to the construction and home building industry. In that role, he analyzed potential preference actions with a face value of $98 million.
- Member of the Bridge team for *Three Five Systems, Inc.* ("TFS"), a manufacturer of liquid crystal displays and other consumer market electronic components.
- Member of the Bridge Wind Down Team for *C2 Media, Inc*., a printing concern with $80 million in annual revenue (pre-petition). Mr. Keipper assisted in reconciling outstanding claims against the estate.

QORVAL, LLC - KEY PEOPLE

James R. Malone, Founder and Managing Partner. Jim Malone has been CEO of five Fortune 500 companies in as many industries, managed or participated in over 75 acquisitions and divestitures, led in and out-of-court reorganizations, and created international and domestic joint ventures and strategic alliances. He is currently Chairman of the Board of Governors for Citizens' Property Insurance Corporation of Florida and sits on the boards of NYSE companies Ametek, Inc. and Regions Financial Corporation.

Timothy M. May, Founder and Managing Partner. Tim May has served as CEO, COO, CRO, president and director of several middle market companies in a wide variety of industries. As a senior executive, he has hands-on experience in executive, operational and crisis management, pre/post business acquisition assessment and integration strategies, operational improvement initiatives, sales and marketing strategy, as well as business system strategy. His turnaround and crisis management experience has involved divestitures, bankruptcies, restructurings, mergers and acquisitions, business and market strategy redefinition, organizational re-alignment and renewal efforts, secured asset sales and purchases.

QORVAL

red2black

Creditor Recovery Services

Qorval, LLC
4301 Anchor Plaza Parkway, Suite 360
Tampa, FL 33614
813-286-2700
www.qorval.com