



F. John Stark, III
Managing Principal

John's path to becoming a turnaround expert, experienced investor and manager of stressed and distressed companies began more than two decades ago when he joined the Minneapolis law firm, Briggs and Morgan. His work on a project finance transaction led him to joining the client as the Chief Operating Officer and General Counsel, and within six months the client completed an IPO. John's career on the buy side began when he joined the private placement group at Washington Square Capital, in Minneapolis. Later, he joined PPM America in Chicago, where he became the head of the Special Investments Group (\$1 Billion workout portfolio; \$1 Billion asset-based loan portfolio; and \$900 million in capital in 3 Distressed Debt funds). John's experience on the sell side includes being a partner at Corporate Financial Advisors, LLC and Managing Director and co-head of the Restructuring Group at Oppenheimer & Co., Inc. in Los Angeles, CA. John has also testified as both a 30 (b) (6) witness and as an expert witness in various State Court, Federal Court, Tax Court, and Bankruptcy Court proceedings. John co-authored Marriott Risk: A New Model Covenant to Restrict Transfers of Wealth from Bondholders to Stockholders, Columbia Business Law Review 503 (1994).



Other Interests:

John and his wife Tara live on Pewaukee Lake, in Delafield WI. They have six children and two dogs. John and Tara enjoy sailboat racing (Pewaukee Yacht Club), golf (Chenequa Country Club); and skiing (Ausblick).



**WATER TOWER
CAPITAL, LLC**

T 262.282.1285 C 312.593.4450 Fax 800.258.6320
www.watertowercapital.com
N30W29393 Hillcrest Drive, Pewaukee WI 53072

Founded Water Tower Capital in 2001

Core Competencies:

- Restructuring
- Chapter 128 Receiver
- Chief Restructuring Officer (CRO)
- Expert Witness
(State, Federal, Tax, & Bankruptcy Court)
- Commercial Finance / Credit
- Investment Management
- Investment Banking
- Litigation Trustee
- Outside Director
- Valuation

Interim Management

- Grover Corporation – CRO
- Steelwind Industries, Inc. – Advisor
- Odyne Systems, LLC – VP
- Telkonet, Inc. - CFO
- Supplement Warehouse - CRO
- National Premium, Inc. – CRO
- Coldwater Portfolio Partners – CRO

Receiverships

- T. Gialamas' interest in Old Sauk Trails Park, LP
- Criticare Systems, Inc.
- Holley Moulding, Inc.
- Advantage Refrigeration, Inc.

Chapter 11 - 363 Sales

- Criticare Systems
- Coldwater Portfolio Partners II
- Klein Retail Centers
- Schutt Sports, Inc.

Prior Board Experience

- AET Films
- American Restaurant Group
- Bucyrus International
- Carolina Steel
- Cherrydale Farms
- Coldwater Portfolio Partners
- Crescent Communications
- IPM Automotive
- LePages
- NCH NuWorld Marketing
- Orius Telecommunications
- Peebles
- PPM America
- Yunker Industries

Resume of F. John Stark, III

2013-Present

Water Tower Capital, LLC, Milwaukee, WI – Managing Principal

See, the following pages for my prior Sell Side Transactions and prior Expert Witness Assignments

Retained by National Electrostatics Corporation (“NEC”) to turn around the company. (Jan 2025-)

Liquidated an on-line sporting goods retailer. (2024)

Retained by a PE firm to evaluate the management of one of their portfolio companies. (2024)

Retained by a Machine Tool distributor to identify acquisition opportunities for the company. (2024 -)

Retained to sell P.D. Peterka & Associates, a precision machining company. 2023-)

Sold Midwest Prefinishing, Inc. and Premium Prefinished Products, Inc. to a strategic buyer. (2022)

Sold Biwer and Associates, Inc., an agricultural software company, to a strategic buyer. (2021)

Retained by RAM Tool, Inc. as the CRO. Brokered the consolidation of the ownership. (2020)

Receiver - Holley Moulding, Millfab, & NZFP (Case No. 14-CV-0559) (September 2014-December 2021)

CRO – RAM Tool, Inc., Grafton, WI (April 2020- May 2021)

Advisor - Steelwind Industries, Inc., Oak Creek, WI Refinanced and Reorganized (April 2017-December 2020)

Receiver – Thomas Gialamas’ interest in OSTP, LP (Case No. 2017-CV-0332) (August 2018-March 2020)

Vice President – Odyne Systems, LLC (January-July 2019)

CRO – Heartland Retail Construction, LLC (January – February 2019)

CRO – Grover Corporation, Glendale, WI (exchange offer) 2018

Executive Director - Yunker Industries, Elkhorn, WI (2014 - 2018)

Receiver – Criticare Systems, Inc. (Case No. 15-CV-02075) (2015-2017)

CFO - Telkonet, Inc., Milwaukee, WI (2015-2017) (sale of subsidiary)

CRO - SupplementWarehouse.com, Inc., Case No. 15-20569-svk (E.D. of WI) (2015)

CRO - National Premium, Inc., Pewaukee, WI (2014)

CRO - Advantage Refrigeration (Waukesha County, WI, Case No. 14-CV-296) (2014)

CRO – Coldwater Portfolio Partners, LLC, Case No. 12-31182 (HCD) ND of IN (2013-2014)

CRO – Chapter 7 of Ken & Cynthia Klein, Case No. 12-31617 (HCD) ND of IN (2013-2014)

CORPORATE FINANCIAL ADVISORS, LLC, Milwaukee, WI - Managing Director

Transactions included: Trilogy Health Insurance; Vista Dental; and Ascential.

OPPENHEIMER & CO., INC., Los Angeles, CA – MD & Co-Head of Restructuring Group

FA to ad hoc equity committee, Spansion, Inc. U. S. Bankruptcy Court, DE; sub debt committee, Hawkeye Renewables, Case No. 09-14461 (KJC) U. S. Bankruptcy Court, DE; Debtor, Schutt Sports, Inc., Case No. 10-12795 (KJC) U. S. Bankruptcy Court, DE; Debtor, Millennium Radio Group; Access 1; University Medical Products, and Sportcraft, Ltd.

CORPORATE FINANCIAL ADVISORS, LLC, Milwaukee, WI - Managing Director

FA to: Aqua-Chem; Exide Technologies Equity Committee; AET Films bondholder committee.

Board Seats: Abraxas Petroleum; AET Films; Orius Telecom; and American Restaurant Group.

WATER TOWER CAPITAL, LLC, Chicago, IL - Managing Principal

FA to: LTV Equity Committee, Comdisco Equity Committee, Finova Equity Committee, and Remee Products Creditors Committee; Phy-America, LLC, Outsourcing Services Grp, Sheffield Steel.

PPM AMERICA, Chicago, IL –Executive Vice President, Special Investments Group

I managed a \$1 billion workout portfolio; a commercial finance business; and several distressed debt funds. **Board Seats:** Benchmark Holdings; Bucyrus International; Carolina Steel; Cherrydale Farms; Crescent Communications; IPM Automotive, NCH NuWorld; Peebles; and PPM America. (Crain’s Chicago, “40 under 40”)

WASHINGTON SQUARE CAPITAL, Minneapolis, MN

Investment Analyst - Private Placements and Workouts

RUBBER RESEARCH ELASTOMERICS, INC. (“RRE”), Minneapolis, MN

Chief Operating Officer and General Counsel

BRIGGS AND MORGAN, P.A., Minneapolis, MN

Associate Attorney, Commercial Law Department

2012

2009-2012

2004-2008

2001-2004

1990 – 2000

1989 – 1990

1986 – 1989

1984 – 1986

EDUCATION

1984

1981

VANDERBILT UNIVERSITY SCHOOL OF LAW, Nashville, TN - JD

WABASH COLLEGE, Crawfordsville, IN - AB



**WATER TOWER
CAPITAL, LLC**



Selected Current Engagements and Recent Transactions

Midwest Prefinishing, Inc. and Premium Prefinished Products, Inc.

Middleton, WI – October 7, 2022 – North American Specialty Laminations (“NASL”), a platform company of the investment firm Building Industry Partners (“BIP”), has acquired both Midwest Prefinishing, Inc. (“MWP”) and Premium Prefinished Products, Inc. (“PPP”).



*North American
Specialty Laminations™*
We've got you covered™

MIDWEST PREFINISHING INC.
S I M P L Y T H E B E S T


**BUILDING INDUSTRY
PARTNERS**
EQUITY PARTNERS FOR THE U.S. BUILDING INDUSTRY

NASL is the North American leader in differentiated lamination and specialty fabrication solutions to the building products industry. MWP and PPP are best-in-class providers of prefinishing services for interior doors, moulding, and stair parts markets. Together the sister companies represent the largest independent prefinishing operation in the United States. The acquisition strengthens NASL’s prefinishing expertise, a critical capability for customers that demand color in building products. The newly combined company will continue to expand its footprint nationally in pursuit of helping its customers flexibly respond to market pressures around capital investment, labor constraints, and raising transport costs. NASL is based in Osseo, WI and MWP and PPP are based in Middleton, WI. Partners for the purchasers were Holland & Knight LLP, Fifth Third Bank, Intrinsic LLC, and Siguler Guff. Dewitt Law LLP, Gerald Kerl CPA and Water Tower Capital, LLC, advised the sellers.

October 7, 2022

Biwer and Associates, Inc.



Dairy, LLC acquired 100% of the Ownership of Biwer and Associates, Inc. (Terms of the transaction were not disclosed.) Biwer develops and supports software that manages the sourcing, traceability, and payment for agricultural commodities. Biwer’s clients include some of the nation’s largest cooperatives, dairies, fruit and beverage processors, grain marketers, representing a wide range of food and agricultural operations, and livestock operations. Biwer’s solutions manage the commodities procurement workflows and dynamic pricing unique to each agricultural commodity segment.

The acquisition by Dairy.com will provide opportunities to integrate solutions and expand the market for the Dairy.com and Biwer software solutions. The combination will also accelerate the rollout of the Biwer cloud native SaaS offerings to agricultural commodities and financial services cooperatives. Water Tower Capital, LLC represented Biwer and Associates, Inc. in the negotiation of the sale of the company.



July 1, 2021

RAM Tool, Inc.



In April of 2020, John Stark was retained by RAM Tool, Inc. to do an assessment of the family-owned business. RAM Tool, Inc. is a precision machining and Tool & Die manufacturing company, located in Grafton, WI. The Company does: Contract Machining, Prototype Tooling, Die Cast Dies, Custom Inspection, and is ISO 9001:2015 Certified.

John recommended that the company be put up for sale, as a going concern. In August, the Water Tower Capital, LLC began reaching out to financial and strategic buyers and by September, more than 50 potential purchasers had executed the confidentiality agreement, which permitted them to access the Virtual Data Room that had been populated with information on the company. More than ten proposals were submitted for the purchase of the company, by early October 2020. The company signed an LOI with a strategic purchaser; however, negotiations broke down on the eve of the closing date and both parties backed away from the transaction.

On January 4, 2021 John Stark was appointed as the Chief Restructuring Officer of RAM Tool, Inc. Initiatives undertaken by John Stark include, negotiating the refinancing of the company's funded debt by moving it off the company's balance sheet to an affiliate, diversifying the customer base by retaining manufacturers reps, updating, and revising the organizational chart, recalculating the burden rate, applying for ITAR certification, formulating a capital expenditure budget, updating Epicor, and recruiting a new Chief Operating Officer.

Receiver for Thomas Gialamas' Interest in Old Sauk Trails Park, L.P.

In August of 2018, John was appointed as a selfish receiver for Thomas Gialamas' 12% interest in the Old Sauk Trails Park, L.P., on behalf of a judgment creditor, Erick Hallick. Through John's efforts Mr. Hallick recovered the entirety of his claim against Thomas Gialamas, in early 2020. John prepared several valuation reports, marketed the partnership interest, and assisted in the resolution of both the receivership and the subsequent Chapter 11 proceeding.

Steelwind Industries, Inc. – Refinancing



Following two consecutive years of profitability, John Stark ran a process, seeking to replace the Steelwind Industries, Inc. and its real estate affiliate (OCIP, LLC) asset-based financing with cash flow financing.

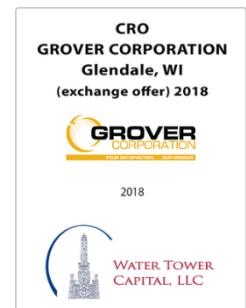
The company received multiple offers for refinancing its capital structure. The process yielded multiple offers for refinancing, all of which were significantly more favorable than the company's existing financing.

Steelwind Industries, Inc. and OCIP, LLC were able to close on a cash flow financing package with First Business Bank, in July of 2019.

July 2019

Grover Corporation – Exchange of Trade Payables for Term Notes

In 2017, Grover Corporation began the consolidation of its two manufacturing facilities, into a new facility in Glendale, Wisconsin. Unfortunately, the move and the consolidation cost the company significantly more time and money than was projected and they realized operating losses both during and after the move and consolidation, due to production constraints. The Company retained Water Tower Capital, LLC in June of 2018 to help it address its liquidity needs. Water Tower Capital generated multiple financing proposals for the company. Water Tower Capital, LLC also contacted each of Grover's vendors and offered to convert all its past-due payables to the vendors, to a twenty-four (24) month promissory note, which would be paid in equal installments, with interest accruing at 4% per annum. More than fifty (50) vendors, comprising \$1.265 million of past due payable agreed to accept the Promissory Notes, which was the functional equivalent of a term loan.



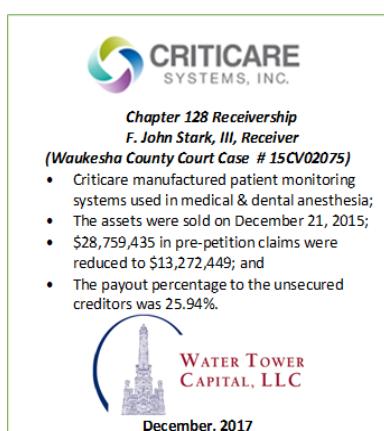
Arrow Companies, LLC. – Fairness Opinion – MBO & Recapitalization



Arrow Companies, LLC has operated as three separate divisions: **Arrow Cabinets** is a supply chain solutions company which has grown from a manufacturer of specialty furniture to a supply chain solutions company. It has one of the broadest lines of sewing and craft furniture in the world. **Arrow Fulfillment** provides warehousing, fulfillment, and distribution solutions for a wide range of customers. It serves small and mid-market companies in addition to Fortune 100 companies. **Arrow Everyday EDI Services** provided electronic data interface document transfer services to smaller companies that did not have the capacity to transfer electronic data to their larger chain store customers.

Following the sale of the EDI Business in March of 2017, two of the shareholders of Arrow Companies, LLC expressed their desire to have their ownership interests redeemed by the Company. Water Tower Capital provided the company and its shareholders with both a Valuation and a Fairness Opinion on the buyout of the two shareholders. The buyout and the recapitalization were accomplished in accordance with the Valuation.

Criticare Systems, Inc. – Chapter 128 Receivership



Criticare was a medical device company that manufactured and marketed patient monitoring systems, used in anesthesia, critical care, and outpatient care settings. On October 19, 2015, Criticare made a voluntary assignment to the Receiver for the benefit of Criticare's creditors. On that same date, this Court issued an Order Appointing John Stark as the Receiver.

Water Tower Capital provided confidentiality agreements to more than 150 prospects and 22 prospective buyers executed and returned confidentiality agreements. Many of the prospective buyers that executed confidentiality agreements conducted due diligence in connection with a potential purchase of Criticare's assets. On December 11, 2015, the Receiver conducted an auction at Criticare's Waukesha facility. The auction was conducted pursuant to the Procedures. Opto Cardiac Care Limited made the highest and best bid at the Auction - \$3.2 million, plus the waiver of \$2.3 million of

claims that affiliates had asserted against the estate. Creditors filed a total of 113 general unsecured claims, amounting to \$28,759,435.37 and through the efforts of the Receiver and its counsel, the claims were reduced to \$13,272,449.13.

On December 13, 2017, Waukesha County Circuit Court Judge William J. Domina signed an Order: 1. Approving the Receiver's Final Settlement of Account; and 2. Directing that distributions be made to the creditors of Criticare Systems, Inc., ("Criticare") as outlined in the Final Settlement of Account. Based on the \$13,258,479.13 of agreed-upon pre-petition claims and the \$3,441,603.99 of remaining cash, available to pay the agreed upon pre-petition claims, the payout percentage is 25.96%.

Steelwind Industries, Inc. – Turnaround and Refinancing



SteelWind Industries' signature projects include the fabrication of the Miller Park retractable roof, Dolphin Stadium, in Miami, FL, Windmill Towers, the MGM City Center in Las Vegas, NV, The Ivanpah Solar Power Facility (California Mojave Desert), and the General Mitchell Airport Renovation Project.

Due to recurring losses, Steelwind's loans were assigned to its bank's workout group in early 2017. Steelwind's credit lines were frozen; and they were subject to a series of short-term forbearance agreement with its bank, pending the identification of a new lender. Water Tower Capital was retained by Steelwind Industries in April of 2017 and John Stark was appointed as the Chief Restructuring Officer.

Water Tower Capital negotiated several extensions to the forbearance agreement(s), which gave the team the time it needed to fix the company. Water Tower Capital worked with management to identify the best course of action for the company, and through a combination of a Reliability Centered Management program, expense reductions, and an increase in sales, the company was able to achieve profitability, beginning in August of 2017. Water Tower Capital contacted 20+ lenders, in order to identify the best take-out financing for the company's existing lender. After a series of negotiations, in December of 2017, the company closed on a term loan on the real estate and the equipment, as well as a revolving credit facility on the working capital assets, with First Business Capital.

Telkonet, Inc. – Sale of Subsidiary

John was recruited to join Telkonet as its CFO, in 2015. Telkonet designed, engineered, and marketed "smart" thermostats, under the EcoSmart Platform, which offered significant energy savings; however, Telkonet had incurred cumulative losses of \$123,471,034 and never generated enough funds through operations to support its business. For the year ended December 31, 2016, it had an operating cash flow deficit of \$910,130 from continuing operations.



John spearheaded the effort to hire an investment bank and offer for sale Ethostream LLC, the High-Speed Internet Access ("HSIA") subsidiary of

Telkonet. EthoStream was one of the largest public HSIA providers in the world, providing services to more than 12.0 million users monthly across a network of approximately 1,800 locations. The Company and the Company's wholly owned subsidiary, EthoStream LLC, entered into an Asset Purchase Agreement with DCI, whereby DCI would acquire all of the assets and certain liabilities of EthoStream for a cash purchase price of \$12.75 million.



Yunker Industries, Inc.

John was hired by Yunker Industries in 2014, as an Executive Director. Under John's leadership, the company implemented a reliability centered maintenance program, as part of the relocation of the company from two buildings in Lake Geneva, WI to one building in Elkhorn, WI in 2016. The company was able to increase efficiency, improve on-time deliveries, and the quality of its interior signage, because of these initiatives.

In September of 2016, we listed the 200 E. Sheridan Springs Road Property for lease on LoopNet / Co-Star. The listing led to several dozen inquiries and about a dozen showings of the building. In November of 2017, the company received a written offer to purchase the building, with a closing to occur no later than December 31, 2017. The buyer agreed to permit Yunker to lease back to Yunker, the screen print area, through June of 2018. This lease arrangement permitted Yunker to effectuate a transition of its screen-printing operations, without any interruption of services to its customers.

200 E Sheridan Springs Rd
Lake Geneva, WI 53147



Sold on 12.27.17.



December, 2017

Holly Moulding, et. al. – Chapter 128 Receivership



Chapter 128 Receivership

Receiver for Holley Moulding, Inc., Millfab, Inc. & New Zealand Forest Products USA, LLC (Dane County, WI Case No. 14-CV-0559)

- John Stark was appointed as Receiver on September 11, 2104
- Holley and Millfab were leading producers of hardwood moulding to Big Box retailers.
- Liquidation of Receivables, Inventory, Equipment, and Real Property.

Pending



In August of 2014, John Stark was appointed as the Chapter 128 Receiver for Holley Moulding, Millfab, and New Zealand Forrest Products. As Receiver, John managed the auction(s) of the assets in Stoughton, WI and Sarcoxie, MO, while dealing with several Chapter 11 filings, by the Debtor in the State of WA.

The proceeds from the sale of the assets and recoveries from preference actions and other collection actions have resulted in a >97% recovery for the secured lender.



Prior Experience of F. John Stark, III

I am the Managing Principal of Water Tower Capital, LLC. Water Tower Capital is a nationally recognized provider of strategic advice to companies, creditors, and institutional investors in financially troubled situations. I am recognized as an experienced Investment Banker, Investment Manager, Turnaround and Workout Professional, Expert Witness, Outside Director, and Court Appointed Chief Restructuring Officer and Receiver.

I began my career as an attorney with the law firm of Briggs and Morgan, in Minneapolis, MN, where I practiced in the Commercial Group, which included Corporate, Banking, and Bankruptcy law. During the next 30 years, I was on the issuer's side, the buy side (investment management), and the sell side (investment banking) in several billions of dollars of debt and equity financings. I have several decades of experience acting not only as a financial advisor to debtors, creditors, and equity committees, but also as an investor in distressed and troubled situations, including bankruptcies, receiverships, and out of court restructurings. During the last four decades, I have worked on over 100 financial restructurings, and I have served on over 75 creditors or ad-hoc committees. I also have extensive experience in raising rescue, turnaround, debtor in possession financings and other forms of capital for companies in financial distress or in disfavored industries.

As described in my resume, I began my career in the investment management business as an analyst in the Private Placement Group at Washington Square Capital, in Minneapolis, MN in 1989. My responsibilities included evaluating investment grade and non-investment grade private placements of fixed income investments that were being offered by placement agents, including investment banks and banks.

- At Washington Square Capital, I gained experience in:
 - (i) analyzing offerings of both investment grade and non-investment grade fixed income (debt) investments.
 - (ii) analyzing registered public offerings of fixed income investments, Rule 144a offerings of fixed income investments, directly originated private placements of fixed income securities and loans, and private placement offerings of fixed income investments.
 - (iii) workouts of troubled and/or defaulted bank loans, leveraged loans, high yield debt and special situation investments.
 - (iv) understanding the ratings methodology employed by the National Association of Insurance Commissioners (the "NAIC") and the major ratings agencies.

Prior Experience of F. John Stark, III



- (v) underwriting directly originated or agented placements of fixed income securities and loans.
- (vi) structuring and managing high yield and distressed debt funds.
- (vii) the acquisition of control positions in distressed debt securities (bonds), distressed bank loans, trade claims, and other distressed debt obligations of financially troubled, restructured, or reorganized companies.
- (viii) mezzanine, equity, and other special situation investments of financially troubled, restructured, or reorganized companies and the conversion of such control positions into controlling interests in the reorganized equity.
- (ix) securitization of high yield bonds, bank loans, and distressed debt; and
- (x) asset-based lending and debtor-in-possession ("DIP") lending.

From 1990 to 2000, I managed the Special Investments Group at PPM America, Inc. ("PPMA"), in Chicago.

- PPMA is the North American investment advisory subsidiary of Prudential, plc, a British insurance company ("Prudential") with over \$220 billion insurance and investments funds under management worldwide. Prudential also owns Jackson National Life Insurance Company ("JNL"), which has total assets of greater than \$30 billion. As the head of PPMA's 25-person Special Investments Group, Mr. Stark was responsible for managing the Commercial Finance Group, the JNL workout portfolio and three distressed securities funds. The distressed funds acquired at a discount and managed more than \$870 million of distressed debt securities, distressed bank loans, trade claims and other distressed debt obligations.
- I managed a \$1 billion workout portfolio, comprised of 75 debt defaulted / distressed debt investments that had been made by a prior asset manager on behalf of Jackson National Life Insurance Company, ("JNL"). I served on, or supervised direct subordinates who served on, all the creditors' committees of which PPMA was a member from 1990 to 2000, including 30 creditors' committees on which I personally served, fifteen in the capacity as chairman.
- The distressed funds did "back door acquisitions" and assumed an active management role by acquiring substantial positions, including control positions, and commencing initiatives where there were restructuring opportunities. In 1999, a leading private equity

consultant compared the performance of 37 distressed asset managers who collectively managed more than \$20 billion of distressed assets. PPMA's distressed funds finished with the second highest performance for 1998 and the highest performance for the two-year period ending December 31, 1998.

- The Commercial Finance Group originated and managed a \$1 billion portfolio of value-added loans, asset-based loans, and debtor in possession ("DIP") loans. The Special Investments Group also managed the JNL workout portfolio, consisting of over \$1.2 billion of distressed investments.
- In 1995, I organized and managed through a commercial finance business whose portfolio of asset-based and DIP loans had commitments of more than \$1.5 billion and outstanding loans of more than \$700 million.
- Beginning in 1995, I structured and managed three distressed debt funds, The PPM Special Investments Fund, L.P., The PPM America Special Investments CBO II, LP, and a separate account. Through these funds, we acquired at a discount and managed more than \$870 million of distressed debt securities, distressed bank loans, trade claims, preferred and common stock, and other distressed debt obligations. As the PPM Special Investments Fund, L.P., and the PPM America Special Investments CBO II, LP were "market value" collateralized bond obligations ("CBO's") we were borrowing two thirds of the capital that we employed, and the availability of the capital was based on the value of the investments that we made.
- In 1998, I assisted in the formation of an \$800 million cash flow CBO, "The Hermitage", which CBO was comprised of "High Yield" assets from Jackson National Life Insurance Company's portfolio.
- I was also one of three portfolio managers responsible for the liquidation of a \$500 million+ Canadian distressed commercial real estate portfolio in 1998-1999.
- At PPMA, I also served in a dual role as both a fund manager and as a director of several portfolio companies. The PPMA Special Investments Group assumed an active managerial role by acquiring substantial positions, including control positions, and commencing initiatives where there were restructuring opportunities.
- I directly managed the acquisition and sale of control positions in dozens of distressed companies, including, but not limited to, Carolina Steel (Steel Fabrication and Service



Prior Experience of F. John Stark, III

Centers), Bucyrus Erie (Surface Mining Equipment), Elder Beerman (Retail), Coho (Energy), AMI Operating Partners (Hotels), Hollys (Hotels), VMS Partners (Hotels), Farm Fresh (Grocery), Hills Department Stores (Retail), Scott Cable (Cable Television), and NCH NuWorld Marketing (Coupon Processing).

- Below is the investment performance for the PPM Funds and the JNL Workout Portfolio.

Year	Gross Return on Assets (\$ in millions)			
	JNL Portfolio	PPM Fund I	PPM Fund II	Altman NYU ¹
Size	\$1,200	\$400	\$473	N.M.
1991	34.3%	-	-	43.1%
1992	34.6	-	-	15.4
1993	30.8	-	-	27.9
1994	24.5	-	-	6.7
1995	36.9	-	-	11.3
1996 ²	31.3	-	-	15.6
1997 ³	30.0	25.2%	-	0.4
1998	N.M. ⁴	18.5	20.6%	-17.6
1999	N.M.	10.1	12.7	4.5
Since inception	N.M.	11.7%	10.4%	-8.3%

- As one of five Executive Vice Presidents and group heads at PPMA, I was a member of all the underwriting committees for all investment grade and non-investment-grade fixed income investments (debt) made by PPMA on behalf of its client, JNL from 1990 through 2000, including

¹ Edward I. Altman and M. Christian Saxman, Special Report on The Investment Performance of Defaulted Bonds and Bank Loans: 1987-1997 and Market Outlook, New York University Salomon Center (March 2000) ("Altman"). Prior to 1996, returns only included the performance of Defaulted Bonds.

² PPM Fund I's inception date was June 21, 1996. The annualized and period returns on assets for PPM Fund I from inception through December 31, 1996, were 11.15 percent and 5.78 percent, respectively, gross of fees and expenses.

³ PPM Fund II's inception date was December 18, 1997. The return on assets through December 31, 1997, is not meaningful.

⁴ Except for one investment, the JNL Workout Portfolio was a collection of distressed securities the management of which was assumed by PPM on January 1, 1991, from JNL's former unaffiliated investment manager. By year-end 1997, the entire original distressed portfolio had been liquidated except for two investments. Because of the smaller number of portfolio holdings at the end of 1997, performance information beyond 1997 is not meaningful.



Prior Experience of F. John Stark, III

well over a billion dollars of High Yield or non-investment grade private placements. I cannot give a good estimate of the volume of transactions reviewed by the underwriting committee during that period; however, during my tenure on the underwriting committee, the JNL portfolio grew from approximately \$10 billion to over \$30 billion.

The following table summarizes the internal rate of return achieved on the DIP loans and the asset-based loans in the PPM Finance portfolio for the years 1999 and 2000.

Portfolio	PPM Finance		
	Internal Rate of Return		
	(\$ in millions)		
Commitment Amount ²	\$1,494	\$253	\$1,747
Outstandings ²	\$595	\$45	\$640
1999 – 2000 Accrual Basis IRR	11.06%	11.99%	11.09%
1999 – 2000 Cash Basis IRR	12.08%	19.10%	12.33%

- While employed by PPMA, I co-authored *Marriott Risk: A New Model Covenant to Restrict Transfers of Wealth from Bondholders to Stockholders*, 1994 Colum. Bus. L. Rev. 503 (1994).

In 2001, I formed Water Tower Capital, LLC.

- I advised constituencies in: AET Films; Comdisco; Exide Technologies; Finova; LTV Steel; Outsourcing Services Group; Remee Products; Sheffield Steel. I was also retained as an expert witness on various matters, *infra at page 8-9*.

In 2004, I joined Corporate Financial Advisors, in Milwaukee, WI.

- I advised constituencies in: Aqua-Chem; Trilogy Insurance; and Exide Technologies.

In 2009, I joined Oppenheimer & Co., Inc. as a Managing Director in the Manhattan Beach, CA office. I advised constituencies in: FA to ad hoc equity committee, Spansion, Inc. U. S. Bankruptcy Court, DE; sub debt committee, Hawkeye Renewables, Case No. 09-14461 (KJC) U. S. Bankruptcy Court, DE; Debtor, Schutt Sports, Inc., Case No. 10-12795 (KJC) U. S. Bankruptcy Court, DE; Debtor, Millennium Radio Group; Access 1; University Medical Products, and Sportcraft, Ltd.

Prior Experience of F. John Stark, III



In 2013 I resumed managing Water Tower Capital, LLC.

- In 2013, I was appointed as the Chief Restructuring Officer (“CRO”) for Coldwater Portfolio Partners, LLC, Coldwater Portfolio Partners II, LLC, and Klein Retail Centers, which entities managed a nationwide portfolio of 75 Super Wal-Mart shadow centers. I also managed a 363 sale of the Coldwater Portfolio Partners II and Klein Retail Centers portfolios: Coldwater Portfolio Partners, LLC, Case No. 12-31182 (HCD) ND of IN (2013-2014) CRO – Chapter 7 of Ken & Cynthia Klein, Case No. 12-31617 (HCD) ND of IN
- In 2014, I was appointed as an Executive Director of Yunker Industries, a large format printer of in-store signage for the retail industry. During my tenure, I supervised the relocation of the physical plant from two buildings in Lake Geneva, WI to a single leased facility in Elkhorn, WI. I also arranged for financing to facilitate both the move and the acquisition of new printing equipment. Finally, I arranged for the sale of the company’s previous printing facility in Lake Geneva, WI. I completed that engagement in 2018.
- In 2014, was retained to sell the assets of Advantage Refrigeration (Waukesha County, WI, Case No. 14-CV-296); I was appointed as the CRO for National Premium, a \$30 million fulfillment business, and I was appointed as the Chapter 128 Receiver for Holley Moulding, Inc. (Dane County, WI, Case No. 14-CV-0559)
- In 2015 I was appointed as the CRO for Supplement Warehouse, a distributor of nutritional supplements that was a Chapter 11 debtor, Case No. 15-20569-svk (E.D. of WI); I was also appointed as the Chapter 128 Receiver for Criticare Systems, Inc., (Waukesha, WI, Case No. 15-CV-02075) a medical monitoring device company, and I managed the sale of the company, as a going concern.
- From 2015 to 2017, I was the CFO for Telkonet, Inc., a publicly traded company in the clean technology automation industry. During my tenure, I focused the company on selling a subsidiary, in order to generate much needed working capital and I supervised the sale process.
- In 2017, I was retained by Steelwind Industries, Inc. as its CRO. Due to recurring losses, Steelwind’s loans were assigned to its bank’s workout group in early 2017. Steelwind’s credit lines were frozen; and they were subject to a series of short-term forbearance agreements with its bank, pending the identification of a new lender. I negotiated several extensions to the forbearance agreement(s), which gave the team the time it needed to fix the company. Through a combination of expense reductions and a sales initiative which resulted in an increase in sales, the company was able to significantly increase profitability. Water Tower Capital contacted 20+ lenders, in order to identify the best take-out financing for the company’s existing lender. After a series of negotiations, in December of 2017, the company closed on a term loan on the real estate and the equipment, as well as a revolving credit facility on the working capital assets, with First Business Capital. In 2019, I arranged for a subsequent financing for the company, which both reduced its borrowing costs and increased its working capital and availability.
- In 2018, I was retained by Grover Corporation to be its CRO and I effectuated an exchange offer, wherein more than fifty (50) vendors, comprising \$1.265 million of past due payables agreed to

Prior Experience of F. John Stark, III

accept two-year, Promissory Notes, which was the functional equivalent of a term loan. I was also named as Receiver for Thomas Gialamas' 12.67% interest in OSTP, LP (Case No. 2017-CV-0332).

- In 2019, I was hired by Odyne Systems, to help the company turn around its business. I continued to work with Steelwind Industries, Inc. and serve as the Receiver for Holley Moulding, as well as the "selfish" Receiver for Thomas Gialamas' 12.67% interest in OSTP, LP (Case No. 2017-CV-0332).
- In 2020, I was retained by RAM Tool, Inc. to do an assessment of the company. Following the completion of the assessment, I was retained to sell the company. Based on the actions of the prospective purchaser of the company, the sale was not consummated and in early 2021, I was named as the Chief Restructuring Officer of the Company.
- In 2021, I completed the sale of Biwer and Associates, Inc., an agricultural software procurement company, to a strategic purchaser, Dairy.com, Inc.
- In 2022, I completed the sale to North American Specialty Laminations ("NASL"), a platform company of the investment firm Building Industry Partners ("BIP"), of both Midwest Prefinishing, Inc. ("MWP") and Premium Prefinished Products, Inc. ("PPP"). MWP and PPP are best-in-class providers of prefinishing services for interior doors, wood moulding, and stair parts markets. Together the sister companies represent the largest independent prefinishing operation in the United States.

Board of Directors Experience of F. John Stark, III

Re-Imaging Retail  (2014-current)	37 Super Wal-mart Shadow Centers Coldwater Portfolio Partners, LLC  (2012-2013)	Manufacturer of oriented polypropylene films  Applied Extrusion Technologies (2007-2009)	Telecommunications  (2004-2007)	Steakhouses  American Restaurant Group (2005-2006)
Energy Company  Bondholder Rep (2002-2004)	Payphone provider  (1999-2000)	Coupon processor  (1998-2000)	Adhesive tape Manufacturer  (1996-2000)	Registered Advestment Advisor  (1990-1999)
Fundraising / candy  (1994-1998)	Automotive components IPM Automotive Products (1994-1998)	Surface mining equipment manufacturer  (1994-1998)	Steel service centers and bridge fabrication  (1994-1997)	Retailer  (1992-1996)

Prior Expert Testimony by F. John Stark, III



Brew Pipeline, Inc. v. Lift Bridge Brewing Technologies

Circuit Court, Waukesha County, WI
Case No. 2023CV001013t
February 2024 (Expert Report)
Business Loss Damages, Production and Recall Expense Damages, and Loss of Future Value of the Company

Western Compressor Fin. Serv. v. Sullivan-Palatek, Inc.

United States District Court for the District of Wyoming
Civil Action No. 23-CV-16-SWS
November 2023 (Expert Report)
(Breach of Contract re: Compressors)

Terrell Materials Corp v. Ozinga Ready Mix Concrete

Circuit Court of Cook County, IL
Case No. 2019L009669
December 2022 (Expert Report)
March 2023 (Deposition)
September 2023 (Trial Testimony)
(Lost Profits, Potential Future Earnings, and Market Value of a Precast Concrete Manufacturing Business)

Drew Luning v. Paramount Financial Group, LLC

Circuit Court of St. Louis County, Missouri
Case No. 21SL-CC04646
December 2022
(Terms of a Promissory Note)

Estate of Stephen O'Bryan, et al., v David O'Bryan, et al. and Lakewood Farms, Inc.

State of Wisconsin, Circuit Court, Waukesha County
Case No. 18-CV-691
March 2022 (Expert Report)
February 2023 (Trial Testimony)
(Corporate Governance and Valuation of Real Property)

Gloria Hahn v. Falkowski Law Firm, LLC, et al.

State of Wisconsin, Circuit Court, Washington County
Case No. 20-CV-174
October 2021 (Expert Report)
March 2022 (Deposition Testimony)
(Valuation of a Water Well Drilling Company)

Black Diamond v. Murray Energy

United States Bankruptcy Court, S.D of Ohio
May 2020 (Expert Report)
October 2020, (Rebuttal Report)
(Compliance with Dutch Auction Procedures)

SPI Solar, Inc. v. Analytics Plus, LLC

State of WI, Circuit Court, Waukesha County
October 2019 (Expert Report)
(Valuation of a Solar Business)

Gordian v. Visionary Integration Professionals

American Arbitration Association, San Francisco, CA
November 2017 (Expert Report)
December 2017 (Hearing Testimony)
(Engagement Agreement Dispute)

In Re: VHC, Inc. Case No. 2012CV66

United States Tax Court, ED of WI
June 2016 (Expert Report)
August 2016 (Trial Testimony)
(Adequacy of collection efforts.)

Supplement Warehouse Case No. 15-20569-svk

United States Bankruptcy Court, ED of WI
September 2015 (Plan Confirmation Testimony)
(Vitamin and Supplement Distribution Company)

Coldwater Portfolio Partners, LLC 12-31182

United States Bankruptcy Court, ND of IN
July 2013 (Plan Confirmation Testimony)
(Commercial Real Estate Bankruptcy)

Schutt Sports, Inc. Case No. 10-12795 (KJC)

United States Bankruptcy Court, District of Delaware
December 2010 (Hearing Testimony)
(363 Sale of a Sporting Equipment Company)

Hawkeye Renewables, LLC Case No. 09-14461 (KJC)

United States Bankruptcy Court, District of Delaware
February 2010 (Expert Report)
February 2010 (Deposition Testimony)
April 2010 (Hearing Testimony)
(Valuation of an Ethanol Facility)

Spansion, Inc. Case No. 09-10690 (KJC)

United States Bankruptcy Court, District of Delaware
November 2009 (Expert Report)
November 2009 (Deposition Testimony)
November 2009 (Hearing Testimony)
(Valuation of Nor-Flash Memory Company)

John Hancock et.al, v. Bank of America

Southern District of New York
February 2008 {Expert Report}
March 2008 {Rebuttal Report}
May 2008 (Deposition Testimony)
(Obligations of a Private Placement Agent)

Highland Crusader v. Terrestar /Motient

101st Judicial District Court, Dallas County, Texas
August 2007 (Expert Report)
October 2007 (Deposition)
(Obligations of a distressed debt investor.)

Prior Expert Testimony by F. John Stark, III



Mikael Salovaara et al. v. Alfred C. Eckert, III, et al.

Superior Court of New Jersey
August 2006 (Expert Report)
October 2008 (Deposition Testimony)
(Fiduciary Duty of a General Partner to a LP.)

Applied Extrusion Technologies, Inc

United States Bankruptcy Court, District of Delaware
January 2005 (Expert Report)
January 2005 (Deposition Testimony)
(Valuation of an oriented polypropylene film)

Highland Capital Management v. Prudential

191st District Court, Dallas County, Texas
July 2004 (Expert Report)
August 2004 (Deposition testimony)
(Obligation of a warehouse lender to a bondholder)

Mosaic Info Force v. Information Resources Inc

American Arbitration Association
July 2004 (Expert Report)
August 2004 (Expert Report)
(Valuation of a Partnership Interest.)

Exide Technologies, et al.

United States Bankruptcy Court, District of Delaware
October 2003 (Deposition testimony)
March 2004 (Expert Report)
(Valuation Issues - World Wide Battery Manufacturer.)

Remei Products Corp.

United States Bankruptcy Court, SDNY
May 2003 (Expert Report)
July 2003 (Hearing testimony)
(Valuation Issues regarding a Cable Manufacturer.)

Credit Suisse First Boston Corp. v. Arthur Andersen

162nd District Court, Dallas County, Texas
July 2002 (Expert Report)
August 2002 (Deposition testimony)
(Obligations of a distressed debt investor.)

Comdisco, Inc.

United States Bankruptcy Court, ND of Illinois
November 2001 (Trial Testimony)
(Valuation Issues regarding a subsidiary.)

Finova, Inc.

United States Bankruptcy Court, District of Delaware
August 2001 (Trial Testimony)
(Valuation Issues - commercial finance company.)