

PENDO ADVISORS, LLC



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PENDO ADVISORS, LLC

Pendo Advisors, LLC is a boutique financial advisory services firm focused on providing institutional quality business valuation, corporate finance, and financial restructuring solutions.

Our professionals offer a unique combination of experience to clients in the lower and middle markets by leveraging capital markets, valuation, and transaction experience from the lower middle market to Fortune 500 and multi-billion dollar private equity deals.

Pendo's professionals are focused on providing valuation, corporate finance, and financial restructuring solutions to:

- private and family-owned businesses,
- public company boards,
- ESOP (employee stock ownership plan) and ERISA fiduciaries, and
- asset managers including private equity firms, business development companies (BDCs), hedge funds, pension funds and family offices.

"listen to the clients concerns..."

"customize client solutions..."

"attention to detail..."

"independent advice..."

"proven results..."

Valuation Opinions & Advisory Services

Pendo's professionals have expertise providing valuation opinions and advisory services in numerous situations.

- Estate and gift tax planning
- Litigation and dispute resolution
- Shareholder disputes
- Financial reporting
 - ASC 805 (SFAS 141R - purchase price allocation)
 - ASC 350 (SFAS 142 - goodwill and other intangible assets)
 - ASC 718 (SFAS 123R - stock options)
- Mergers and acquisitions
- Initial public offerings
- Redemptions of shareholder interests
- Assessments of collateral values
- Reorganizations of family-owned businesses

Transaction Opinions

Whether Pendo’s clients are looking to fulfill their fiduciary duties, mitigate risk, or determine corporate value, our professionals assist throughout the transaction process and offer objective advice.

We work on behalf of boards of directors, investors, trustees and other corporate leaders to advise and provide fairness and solvency opinions on a wide range of transactions.

Fairness Opinions

Pendo provides fairness opinions related to a variety of transactions including:

Related Party Transactions	Corporate Acquisitions & Divestitures
Exchange Offers	Mergers
Recapitalizations & Restructurings	Leveraged Buyouts
Spin-offs	Going Private
Stock Repurchases	ESOP/ERISA Transactions

Recent Transaction Summary

THE SELLER

Capitol Bancorp Limited (“CBC”) is a publicly-traded, multi-billion dollar company composed of a network of community banks located in towns and cities from coast to coast. CBC is comprised of 34 individually chartered banks in 16 states with executive offices in Lansing, Michigan and Phoenix, Arizona.

THE BUYER

Michigan Commerce Bank (“MCB”) is a full-service community bank with eleven offices within Michigan’s Lower Peninsula. MCB provides banking services to both individuals and businesses.

THE TRANSACTION

Capitol Bancorp Limited sold its Operations & Technology Group to Michigan Commerce Bank.

OUR ROLE

Pendo Advisors, LLC served as independent financial advisor to the respective boards of directors of Capitol Bancorp Limited and Michigan Commerce Bank and provided a fairness opinion in connection with the transaction.



Capitol Bancorp Limited
(NYSE:CBC)

sold its Operations & Technology Group to

Michigan Commerce Bank

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Solvency Opinions

A solvency opinion is often obtained by a company's board of directors in connection with a special dividend, spin-off, or leveraged transaction.

Recent Transaction Summary

THE COMPANY

Party City Holdings Inc. ("Party City") is the leading designer, manufacturer, distributor and specialty retailer of decorative party goods in the U.S., and the largest manufacturer of metallic balloons in the world. Party City's retail stores include Party City, Party America and Halloween City.

THE EQUITY SPONSORS

Advent International has raised \$26 billion through over twenty funds.

Berkshire Partners LLC has invested through seven funds with aggregate capital of \$6.5 billion.

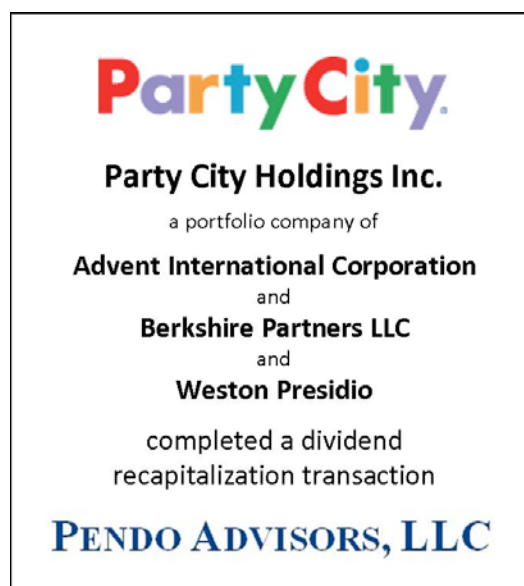
Weston Presidio has managed five funds aggregating over \$3.3 billion.

THE TRANSACTION

Party City paid a \$311 million cash dividend to its common shareholders.

OUR ROLE

Pendo Advisors, LLC served as independent financial advisor to the board of directors of Party City Holdings Inc. and provided a solvency opinion in connection with the transaction.



ESOP / ERISA

Pendo's partners have vast experience working with ESOP (employee stock ownership plan) and ERISA engagements. We have expertise in the unique facets of employee ownership from valuation issues and sustainability concerns to capital raising and transaction structuring. We have advised parties on all sides of the transaction including trustees, corporate boards, management, and stockholders.

Recent ESOP transaction summaries are below:

THE COMPANY

J.P. Express, Inc. ("JP Express") is the Northeast's premier regional less-than-truckload ("LTL") carrier, providing exceptional pickup and delivery service to the New York metropolitan area. JP Express operates over five hundred pieces of equipment through a network of five service centers within a 75 mile radius of midtown Manhattan.

THE TRANSACTION

The J.P. Express Employee Stock Ownership Plan ("ESOP") purchased 100% of the common stock of JP Express in a leveraged ESOP recapitalization.


OUR ROLE

Pendo Advisors, LLC served as independent financial advisor to First Banker Trust Services, Inc. and provided a fairness opinion in connection with the transaction.



JP Express, Inc.
completed a leveraged recapitalization
creating a
100% ESOP-owned company

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VW International, Inc.
sold a minority equity interest to
a newly formed ESOP

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THE COMPANY

VW International, Inc. ("VWI") provides management, engineering, construction, operations and maintenance services for healthcare facilities funded by the U.S. Government.

THE TRANSACTION

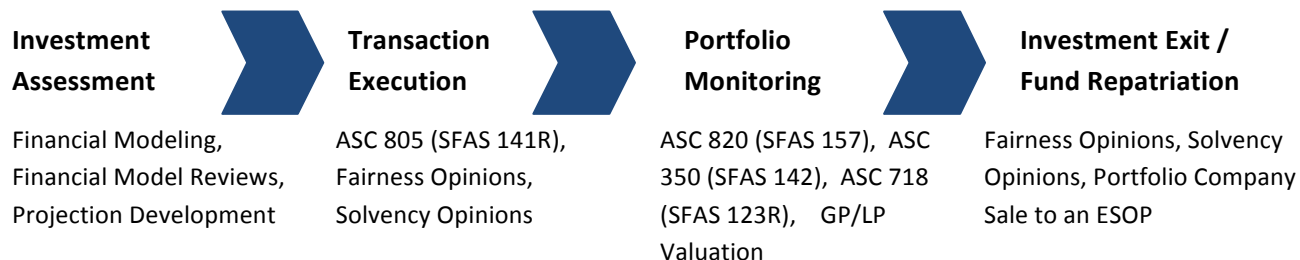
The VW International, Inc. Employee Stock Ownership Plan ("ESOP") purchased 25% of the common stock of VWI in a leveraged ESOP recapitalization.

OUR ROLE

Pendo Advisors, LLC served as independent financial advisor to First Banker Trust Services, Inc. and provided a fairness opinion in connection with the transaction.

Portfolio Valuation and Advisory Services

Pendo provides financial advisory services across the fund and investment life cycle



Pendo's portfolio valuation advisory services practice offers the premier service expected from a boutique with the professionalism, sophistication, and independent judgment to appease stakeholders across asset manager platforms.

Pendo provides portfolio valuation advisory services to private equity funds, hedge funds, business development companies (BDCs), and pension funds. These services include:

- Positive/Negative Assurance Reviews;
- Valuation Opinions;
- Policy & Procedure Best Practices; and
- GP/LP Valuations

Valuation of illiquid investments include:

- Debt (e.g. senior and subordinated, secured and unsecured);
- Common and Preferred Equity;
- Convertible Securities;
- Warrants and Options;
- CDOs and CLOs; and
- Real Estate

With regards to portfolio companies, we provide independent valuations and transaction opinions for fund restructuring, dividend recapitalizations, investment position reallocation, LP transfers, and related party transactions.

In addition we provide a full range of corporate finance and investment banking services for portfolio companies.

Merger & Acquisition / Capital Raising Advisory

If you're anticipating selling your business, recapitalizing, refinancing (senior, junior, or mezzanine debt), or acquiring a business, Pendo's professionals can provide insights and solutions.

Our team provides a sophisticated partner with a broad reach to help potential buyers and sellers throughout the process. Pendo also has longstanding relationships with capital sources including commercial banks and other senior credit providers, mezzanine funds, boutique and institutional private equity firms, and family offices.

Our professionals work with business owners to:

- Develop, formulate, and implement M&A and capital raising strategies;
- identify, screen, and initiate discussions with potential investors, lenders, acquisition targets or buyers;
- structure and negotiate transactions; and
- arrange financing.

Recent Transaction Summary

THE COMPANY

Reliance Gear Corporation ("Reliance Gear") is a precision manufacturer of custom gearing based in Addison, Illinois. Reliance Gear serves a customer base of over 300 companies across a wide variety of industries including defense, construction and agricultural equipment, graphic web presses, and well drilling machinery.

THE TRANSACTION

Reliance Gear was acquired by Ashot Ashkelon Industries Ltd.

OUR ROLE

Pendo Advisors, LLC served as exclusive financial advisor to Reliance Gear and negotiated the sale of the business to Ashot Ashkelon Industries Ltd.



Reliance Gear Corporation

was acquired by



Ashot Ashkelon Industries Ltd.

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Distressed Merger & Acquisition Advisory

Our partners offer sophisticated solutions to management teams and owners of companies in distressed scenarios. Pendo's partners can provide assistance in several distressed situations. Typically, distressed M&A candidates face many of the following challenges:

- Changing industry conditions
- Declining operating performance and cash flow
- Potential loss of key management
- Stretched payables
- Significant liquidity constraints
- Total debt exceeding enterprise value
- Covenant and/or payment defaults on debt instruments
- Conflicts between the various constituents that hold competing claims or interests
- Senior lenders playing hardball and restricting access to capital
- Limited access to new capital
- Commencement or threat of bankruptcy proceedings

Recent Transaction Summary

THE COMPANY

Labelblank Corporation (“Labelblank”) is a converter of blank labels and printed labels based in the Chicago area. Labelblank sells to paper and packaging distributors throughout North America.

THE TRANSACTION

Labelblank sold its inventory and fixed assets in an auction process and sold its intellectual property to a strategic buyer.

OUR ROLE

Pendo Advisors, LLC (“Pendo”) served as receiver for Labelblank Corporation, provided a cash flow analysis, and evaluated going concern transaction and liquidation alternatives. Pendo was appointed by Cook County Court as receiver to protect and liquidate the assets of Labelblank.



Labelblank Corporation

sold substantially all of its assets

PENDO ADVISORS, LLC

Special Situations

Pendo professional's offer sophisticated valuation and transaction solutions to management teams and owners of distressed companies. Pendo's partners can provide assistance in several unique or special situations. Typically, distressed M&A candidates face many of the following special situations:

- Out-of-court transactions
- Restructuring existing debt and equity
- Chapter 11 planning through confirmation
- Representing buyers and sellers of distressed companies, divisions and assets
- Bulk sales of assets
- Sales of performing and nonperforming loans
- Business and securities valuation
- Structuring and analysis of exchange offers
- Litigation support and expert testimony
- Procuring DIP financing

Recent Transaction Summary

THE COMPANY

StoneFire Pizza Company ("StoneFire") is the premiere "eatertainment" destination in Southeastern Wisconsin combining a fresh, all-you-can-eat buffet with an expansive entertainment and game area. Guests can choose from four separate themed dining areas including one geared especially for kids eight years and younger.

THE TRANSACTION

StoneFire was acquired by CT Investments III, Ltd. in a Section 363 asset sale.

OUR ROLE

Pendo Advisors, LLC served as exclusive financial advisor to StoneFire Pizza Company and initiated, structured and negotiated the transaction.



StoneFire Pizza Company

was acquired by

CT Investments III, Ltd.

Section 363 Asset Sale

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For additional information please contact Pendo:

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