SOLICONNECT

Capital Restructuring Perspectives

QUARTERLY UPDATE | FOURTH QUARTER 2014

Contents

About SOLIC

SOLIC Capital Advisors, LLC ("SCA") is a leading specialty investment bank providing merger & acquisition, restructuring, capital placement and valuation advisory services to companies, lenders, institutional investors, the legal community and other creditor constituencies. SCA is a subsidiary of SOLIC Holdings, LLC which includes: SOLIC Capital Advisors (financial advisory), SOLIC Capital Partners (principal investing), SOLIC Capital, LLC (FINRA registered Broker/Dealer), and SOLIC Capital Management (asset management services).

February 2015

To the Friends and Clients of SOLIC Capital Advisors ("SCA"):

We are pleased to share with you the SOLIConnect *Capital Restructuring Perspectives* quarterly update which includes our coverage of key trends, activity, and metrics most relevant to restructuring and bankruptcy professionals, attorneys, workout groups, distressed debt investors, and other interested parties in the capital restructuring space.

In this edition, we provide our perspectives on the restructuring market during the fourth quarter of 2014 which include.

- Continuing a trend seen over the past few years, and unlike the bankruptcy cycles of (1) 2000-2003 and (2) 2008-2009, which were clearly dominated by certain sectors (telecom/technology and financial services, respectively), 2014's Chapter 11 activity covered a wide range of industries including healthcare, oil & gas, retail and telecommunications.
- S&P has stated that credit quality is falling due in part to a large number of senior stretch deals, which have a majority of the capital structure in senior secured debt with very little to no junior capital.
- According to Moody's and S&P, default rates finished the fourth quarter at 1.9% and 1.5%, respectively. Moody's expects the default rate to rise to 2.8% in 2015, while S&P is projecting the U.S. corporate 12-month speculative-grade default rate to rise to 2.4% by September 30, 2015. Meanwhile, Fitch Ratings expects the U.S. high-yield default rate to settle between 1.5% and 2%.
- A number of defaults will likely come from some of the "weaker links" among energy and energy-related companies with challenged access to the capital market and very high-cost production. Another industry that is expected to experience distress in 2015 is retail which, despite a nascent economic recovery, has yet to see shoppers return in significant numbers. Additionally, in 2015 health-care providers are expected to continue to grapple with low reimbursement rates from government insurers. Providers are also being expected to do more with less, in light of Affordable Care Act requirements to transfer paper record-keeping and billing functions to electronic systems resulting in compressed margins.
- Oil & Gas, both Exploration & Production and Oilfield Services, is an area where an uptick in activity is expected with the decline in oil prices. This is the next significant area for activity in the distressed world, and hence attracting capital from distressed investors and hedge funds alike. Many are touting upstream Oil & Gas and Oilfield Services as offering significant distressed opportunities in the U.S. with highly attractive investment opportunities arising. Banks are experiencing a significant level of inbound requests from borrowers to modify bank facilities. S&P said the decline in oil prices "will lead to meaningful declines in company credit measures in 2015 and 2016."
- The Federal Reserve, Office of the Comptroller of the Currency and FDIC has identified problems with about one-third of $767 billion in loans they recently examined as part of an annual review of major loan portfolios at banks. In some cases, regulators indicated that banks rely too heavily on the analysis of private-equity firms sponsoring the deals in judging risk. In other instances, banks made "difficult-to-support adjustments" as they calculated a borrower's ability to repay the loan. The agencies also found that 45% of deals had leverage of six times debt to earnings before interest, taxes, depreciation and amortization, or EBITDA, a level that "raises supervisory concern." If not remedied, greater levels of distress are likely to be created in the future, with regulators suggesting that noncompliant lenders suspend this line of business until they fix the issues.
- In the fourth quarter, SOLIC Capital Advisors served as financial advisor in a sale of the assets of American Cadastre, LLC, which develops software that automates and streamlines state and local government document recording and filing processes. SOLIC professionals completed an expedited sale of the Debtor's assets, pursuant to Section 363 of the Bankruptcy Code, which resulted in a full recovery to the Senior Lender with excess available for unsecured creditors.

We welcome your comments and hope you find our SOLIConnect report informative.

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4Q14 Perspectives

- **Defaults**

  Continuing a trend seen over the past few years, and unlike the bankruptcy cycles of (1) 2000-2003 and (2) 2008-2009, which were clearly dominated by certain sectors (telecom/technology and financial services, respectively), 2014's Chapter 11 activity covered a wide range of industries. *BankruptcyData* reported that as was the case in both 2013 and 2012, bankruptcies of public companies in the health care/medical industry sector once again led 2014's filing count with eight bankruptcies, followed closely by oil & gas' six filings, and five bankruptcies each from both retail and telecommunications.

  Energy Future Holdings, which had over $49 billion in debt, dominated default activity and was the largest Chapter 11 case filed in 2014. Energy Future Holdings chose Delaware as its venue. Five of the 10 largest bankruptcies this year were filed in Delaware and New York's Southern District served as the venue for three of the year's top 10 cases.

DEBTOR	LIABILITIES ($ BILLIONS)	DATE FILED	INDUSTRY	VENUE	DEBTOR COUNSEL
Energy Future Holdings Corp.	$49.70	4/29/2014	Utilities	District of Delaware	Kirkland & Ellis Co.; Richards, Layton, & Finger
ITR Concession Co LLC	$6.02	9/21/2014	Industrial	Northern District of Illinois	Kirkland & Ellis
Momentive Performance Materials (MPM Silicones LLC)	$4.17	4/13/2014	Basic Materials	Southern District of New York	Willkie Farr & Gallagher
NII Holdings Inc.	$3.47	9/15/2014	Communications	Southern District of New York	Jones Day
Mach Gen LLC	$1.59	3/3/2014	Utilities	District of Delaware	Richards, Layton & Finger
Entegra Power Group LLC	$1.50	8/4/2014	Utilities	District of Delaware	Richards, Layton & Finger
Genco Shipping & Trading Ltd.	$1.48	4/21/2014	Industrial	Southern District of New York	Kramer Levin Naftalis and Frankel
Sorenson Communications	$1.40	3/3/2014	Communications	District of Delaware	Pachulski Stang Young & Jones
GT Advanced Technologies Inc.	$1.30	10/6/2014	Technology	District of New Hampshire	Nixon Peabody
Endeavour Operating Corp.	$1.20	10/10/2014	Energy	District of Delaware	Richards, Layton & Finger

Source: Bloomberg LP

S&P has stated that credit quality is falling due in part to a large number of senior stretch deals, which have a majority of the capital structure in senior secured debt with very little to no junior capital. The significant refinancing and dividend recapitalization activity over the past couple of years have increased leverage multiples.

According to Moody's and S&P, default rates finished the fourth quarter at 1.9% and 1.5%, respectively. Moody's expects the default rate to rise to 2.8% in 2015, while S&P is projecting the U.S. corporate 12-month speculative-grade default rate to rise to 2.4% by September 30, 2015. Meanwhile, Fitch Ratings expects the U.S. high-yield default rate to settle between 1.5% and 2%. Fitch says less than $28 billion of high-yield debt is expected to come due next year, of which just $2.5 billion is considered to be at highest risk of default.

A number of defaults will likely come from some of the "weaker links" among energy and energy-related companies with challenged access to the capital market and very high-cost production. Another industry that is expected to experience distress in 2015 is retail which, despite a nascent economic recovery, has yet to see shoppers return in significant numbers. Teen apparel retailers Delia's and Deb Shops recently sought Chapter 11 protection, and others are expected to follow. Retailer liquidations are also hurting landlords who will show signs of stress. Additionally, in 2015 health-care providers are expected to continue to grapple with low reimbursement rates from government insurers. Providers are also being expected to do more with less, in light of Affordable Care Act requirements to transfer paper record-keeping and billing functions to electronic systems resulting in compressed margins. Also, with the dollar strengthening against the euro, certain are of the view that certain of the European issuers that have tapped the U.S. market may find U.S. denominated loans increasingly expensive to service due to currency translation. It is unclear what percent of these issuers have either sufficient U.S.-dollar cash flow or hedges in place to offset further gains in the dollar's value against the euro.

Chapter 11 filings, on the wane since 2009, overall are expected to remain low not only due to broader economic factors but also due to the expense of the proceedings. Yet, Chapter 11 will continue to appeal to companies that have already struck a restructuring deal with creditors or are seeking to sell themselves, both of which can be accomplished relatively quickly and predictably under the court's purview.

The Federal Reserve, Office of the Comptroller of the Currency and FDIC has identified problems with about one-third of $767 billion in loans they recently examined as part of an annual review of major loan portfolios at banks and suggested noncompliant lenders suspend this line of business until they fix the issues. Among the deficiencies cited: lax reviews of potential borrowers and poor risk management. The report was the latest indication that some banks continue to pursue deals in search of profits, with leveraged loans being issued at the same rate versus prior year. In some cases, regulators indicated that banks rely too heavily on the analysis of private-equity firms sponsoring the deals in judging risk. In other instances, banks made "difficult-to-support adjustments" as they calculated a borrower's ability to repay the loan. Regulators noted that one element of the guidance that borrowers should demonstrate is the ability to repay 50% of total debt over five to seven years, a metric that had deteriorated with only 77% of borrowers projected to do so compared with 83% in the 12 months of the prior examinations. The agencies also found that 45% of deals had leverage of six times debt to earnings before interest, taxes, depreciation and amortization, or EBITDA, a level that "raises supervisory concern." If not remedied, greater levels of distress are likely to be created in the future, with regulators suggesting that noncompliant lenders suspend this line of business until they fix the issues. One of the main arguments for policy makers to raise interest rates sooner is a growing concern that credit markets are becoming overheated.

In terms of capital sources, the exodus of mutual funds from the leveraged loan market has accelerated and is likely to continue in 2015. The robust CLO issuance of 2014 is doubtful to continue in 2015 for a variety of reasons, including extra costs and tighter regulations. Regulators will increase scrutiny of leveraged lending, recently citing "serious deficiencies in underwriting standards and risk management of leveraged loans." Even with lower leveraged loan volume next year, many expect to see steady deal flow and an increase in mergers and acquisitions. S&P believes a 10% to 15% drop in deal volume will not be an overly negative outcome after the very strong year of 2014.

- **Oil & Gas Sector Distress**

  Oil & Gas is an area where an uptick in activity is expected with the decline in oil prices. A reduction in oil prices applies stress on reserve-based borrowing base formulas for Exploration & Production companies under their lending agreements. The sector is likely to see a reduction in certain types of drilling, which will have an impact on the businesses that support drilling, namely the oil field service businesses. This is the next significant area for activity in the distressed world, and hence attracting capital from distressed investors and hedge funds alike. Many are touting upstream Oil & Gas and Oilfield Services as offering significant distressed opportunities in the U.S. with highly attractive investment opportunities arising.

  As a case in point, banks are experiencing a significant level of inbound requests from borrowers to modify bank facilities. Bank exposure to the energy sector is being scrutinized by lending institutions and lenders are unlikely to be as accommodative as in the past in light of the extent of downturn in activity.

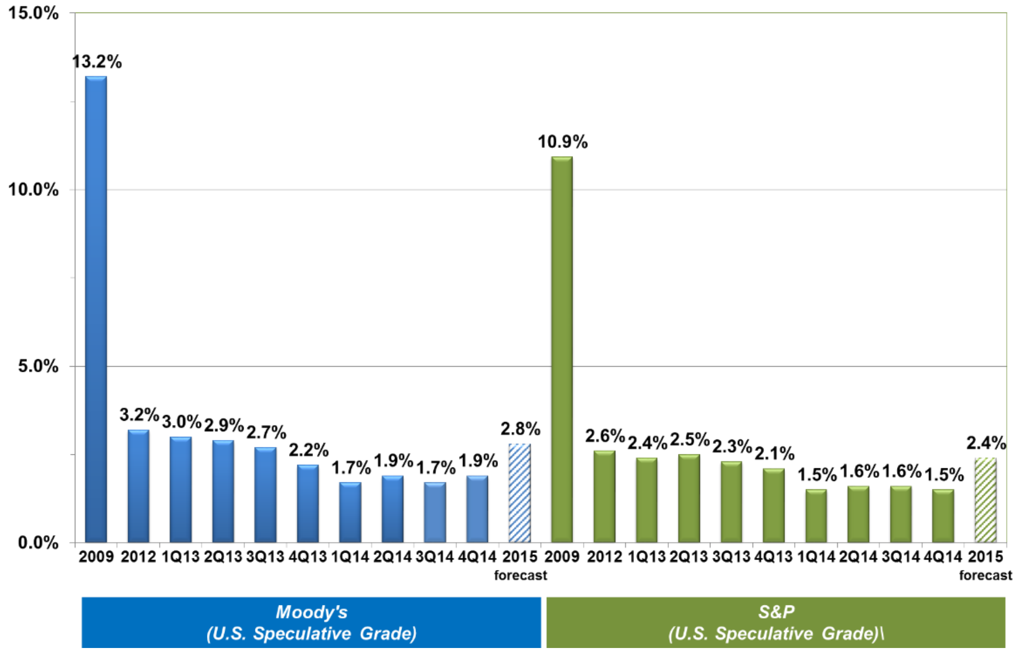
  Among high-yield issuers, downgrades outpaced upgrades by nearly two to one in January 2015, and the highest number of downgrades was seen in the Oil & Gas industry, according to a report by Standard & Poor's. The credit rating company said the Oil & Gas sector experienced eight downgrades in January "as plunging oil prices continue to weigh on the industry." S&P said the decline in oil prices "will lead to meaningful declines in company credit measures in 2015 and 2016."

- **4Q14 SCA Case Highlight**

  In the fourth quarter, SOLIC Capital Advisors served as financial advisor in a sale of the assets of American Cadastre, LLC ("AMCAD"), which develops software that automates and streamlines state and local government document recording and filing processes. SOLIC professionals, in tandem with the equity sponsor, facilitated the shut-down of AMCAD's Justice software platform, allowing for sufficient liquidity to market the remaining businesses/assets. In addition, the Debtor filed for Chapter 11 protection to facilitate and consummate an asset purchase agreement to sell substantially all of the Debtor's assets pursuant to Section 363 of the Bankruptcy Code. SOLIC professionals completed an expedited sale of the Debtor's assets which resulted in a full recovery to the Senior Lender with excess available for unsecured creditors. ***Please see page 17 for additional details.***

Distressed Market Indicators

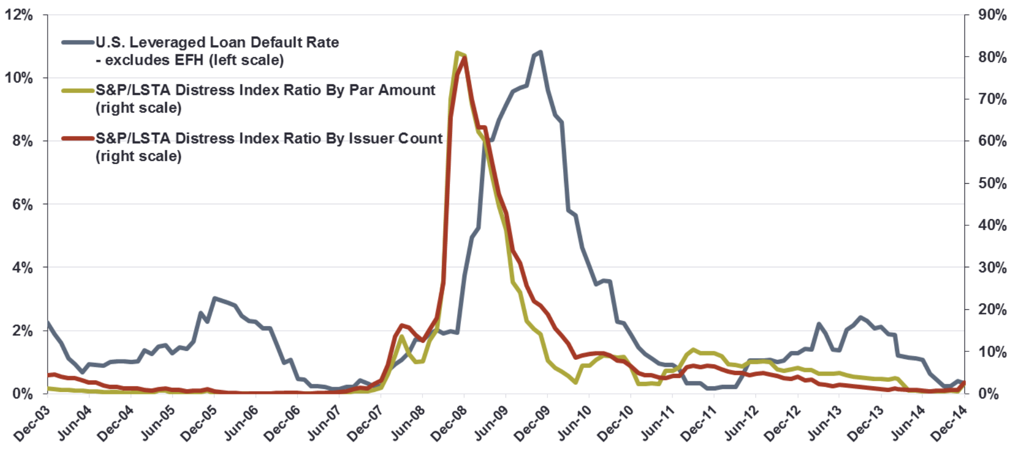
Comparative Default Rates



According to Moody's and S&P, default rates finished the fourth quarter at 1.9% and 1.5%, respectively. Heightened corporate default activity in the near-term might been seen in the Oil & Gas sector. Moody's expects the default rate to rise to 2.8%, while S&P is projecting a 2.4% default rate in 2015.

Note: 2Q14 defaults rates from Moody's and S&P exclude EFH

U.S. Speculative Grade Default Rate versus Distressed Credit Ratio

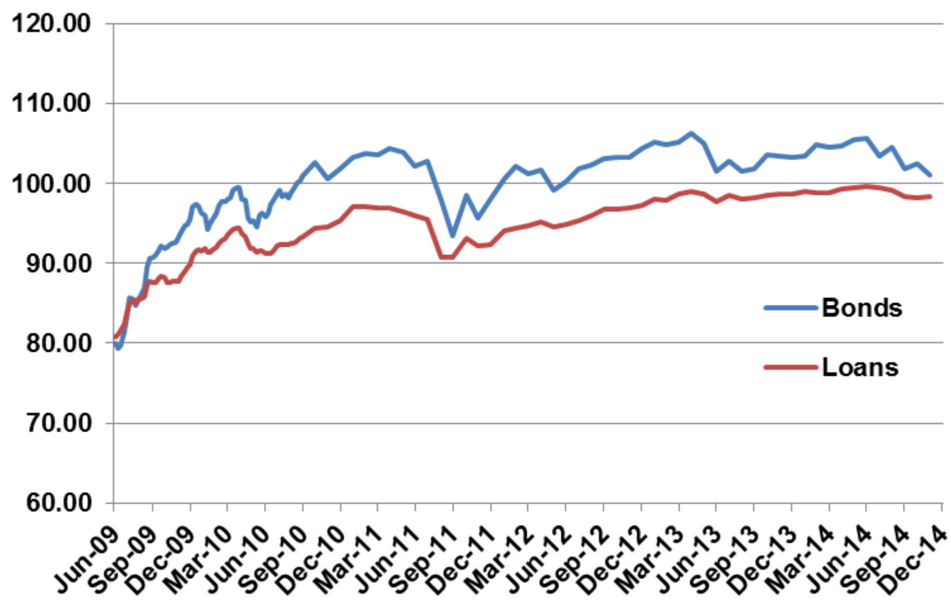


The amount of market distress also remains light. The S&P/LSTA Distressed Index Ratio ended 2014 at just 2.50%, compared to 3.50% a year ago.

Source: S&P Capital IQ LCD
** Distress ratio is the number of distressed securities divided by the total number of speculative-grade-rated issues. Distressed securities are defined as those securities trading at 1,000 bps or greater over comparable Treasuries.*

Distressed Market Indicators (continued)

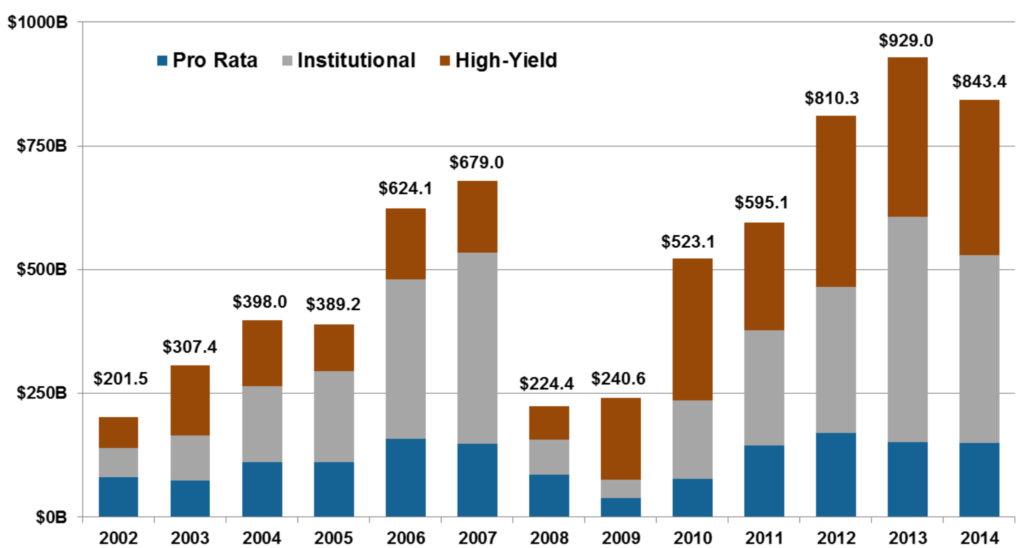
Average Bid Price of Bonds and Institutional Loans



Loans and bond prices continue to hold around par although Oil & Gas sector pricing declines having been witnessed in recent months. Certain market players are of the view that a bubble may burst in 12-18 months.

Source: S&P Capital IQ LCD

Volume of Loans and High-Yield Bonds

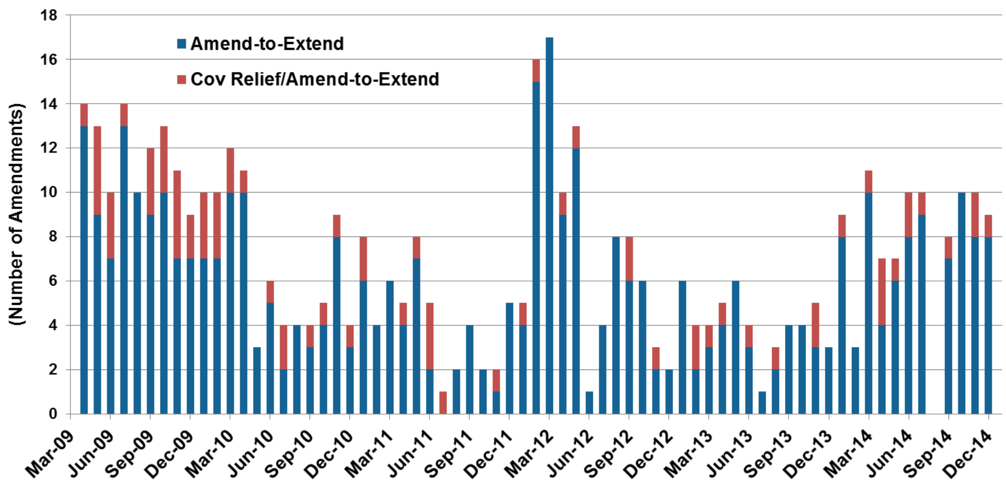


The volume of loans and bonds for the year as a whole fell 9.2% overall, from $929.0 billion in 2013 to $843.4 billion in 2014, due to lower CLO issuance, retail outflows, and higher new-issue clearing yields. While lower than the prior year, this continues to represent a significant level of issuance since 2009.

Source: S&P Capital IQ LCD

Distressed Market Indicators (continued)

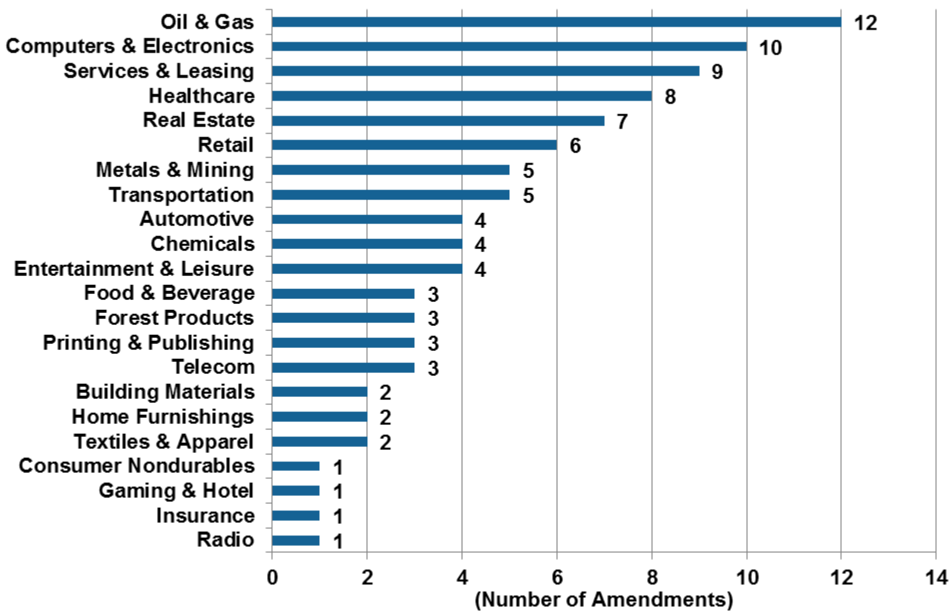
Count of Amend & Extend by Month



A total of 96 amend-to-extends were observed during 2014, compared to a historically lower 49 observed during the previous year. 2014 saw a noticeable increase in A&E activity in the Oil & Gas and Computers & Electronics sectors.

Source: S&P Capital IQ LCD

Amend & Extend by Industry - 2014

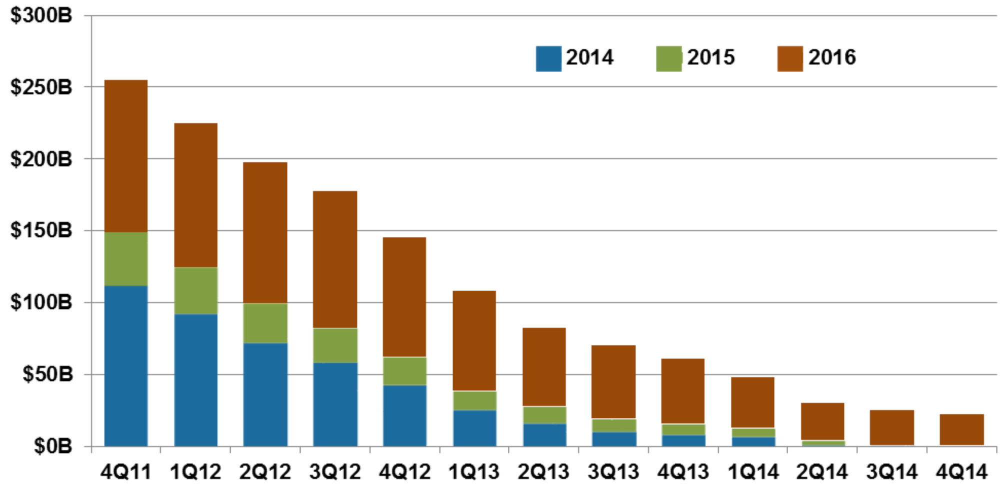


Amend & Extend activity continues to be spread across a number of sectors. Interestingly, the Oil & Gas space observed six companies with extension activity during the fourth quarter 2014: Trinidad Drilling Ltd., QEP Resources, Basic Energy Services Inc., MEG Energy Corp., Cypress Energy Partners, and Range Resources Corp. This indicates early signs of credit fixes anticipated in the sector.

Source: S&P Capital IQ LCD

Distressed Market Indicators (continued)

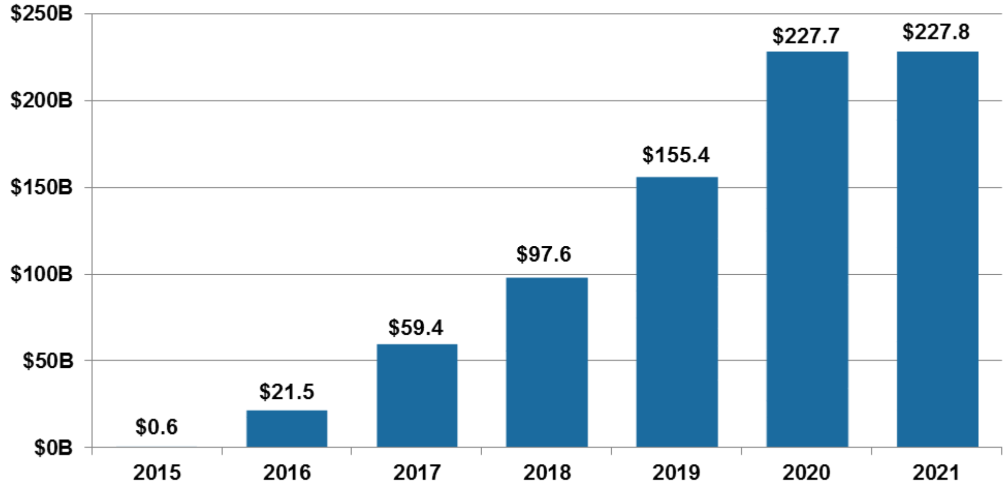
Historical 2014-2016 Loan Maturity Wall



The amount of loans due through year-end 2016 per the S&P/LSTA Leveraged Loan Index stands at just $22 billion, or 2.8% of performing loans, down from $61 billion, or 9.1%, at the end of 2013. This scarcity of near-term loan maturities is likely to continue to keep default rates low over the next few years.

Source: S&P Capital IQ LCD
S&P/LSTA Leveraged Loan Index consists of all loans that are in the index, namely Term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans, and senior secured

Current Loan Maturities by Year

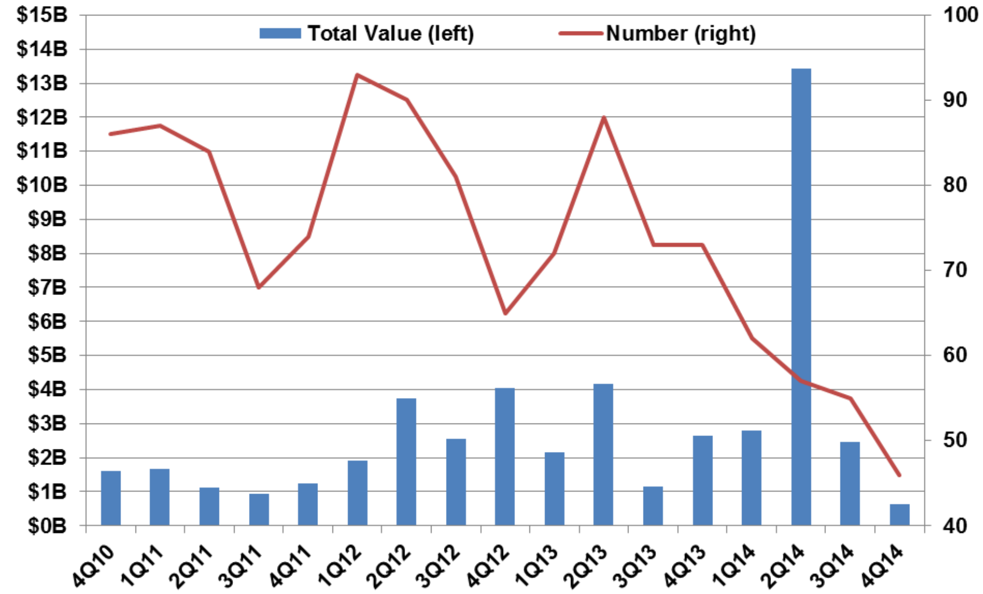


This chart represents a snapshot of current loan maturities by year per the S&P/LSTA Leveraged Loan Index. Strong borrower access to the capital markets has resulted in maturities continuing to be pushed out, with the market facing a significant level of refinancing need in the 2019-2021 timeframe.

Source: S&P Capital IQ LCD
S&P/LSTA Leveraged Loan Index consists of all loans that are in the index, namely Term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans, and senior secured

Distressed Market Indicators (continued)

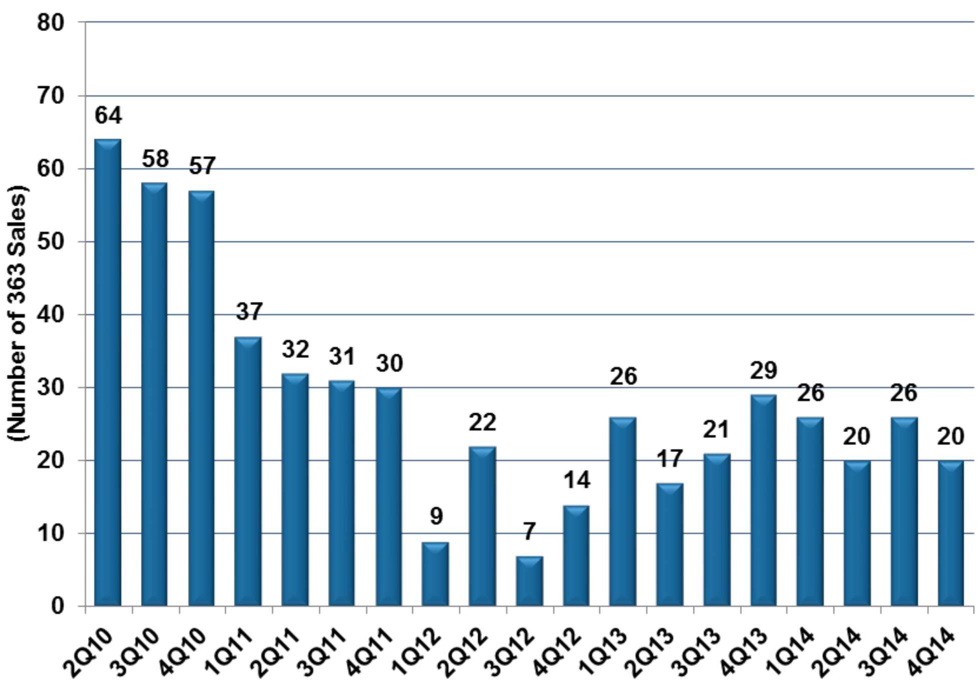
DIP Financings



The number of DIP financings fell to 220 during 2014, down from the 306 observed during 2013. This was countered by the significant value of DIP financing in 2014, driven by Energy Future Holdings.

Note: 2Q14 surge due to Energy Future Holdings' DIP issuance
Source: The Deal

Section 363 Sales



Section 363 asset sale activity again remained stable during the Fourth Quarter 2014 in the range of 20-30 transactions. The abundance of capital has resulted in a lower overall level of reliance on distressed asset sales relative to the 2010-2011 timeframe, a period which witnessed a greater scarcity of capital and lenders demanding more certainty/rapid bankruptcy outcomes via the bankruptcy sale process.

Source: The Deal

Select Bankruptcies

183 companies with over $10 million of aggregate debt filed for bankruptcy during the Fourth Quarter, 2014 across a variety of sectors. Filings included the following:

Debtor Name	Petition Date	Liabilities	Assets	Industry	Jurisdiction
Passaic Healthcare Services, LLC	12/31/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Health, Medical Device	District of New Jersey
dELiA*s, Inc.	12/7/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Retail	Southern District of New York
Lithium Technology Corporation	12/5/2014	10,000,000 to 100,000,000	Less than 10,000,000	Manufacturing	Eastern District of Virginia
Hutcheson Medical Center, Inc.	11/20/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Health, Hospital	Northern District of Georgia
O.W. Bunker USA Inc.	11/13/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Oil/Gas, Marine, Transportation	District of Connecticut
Baxano Surgical, Inc.	11/12/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Manufacturing , Health, Medical Device	District of Delaware
Foods, Inc.	11/9/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Food & Beverage, Retail	Southern District of Iowa
The Niagara at Barton Hill, Inc.	10/29/2014	10,000,000 to 100,000,000	Less than 10,000,000	Entertainment/ Recreation, Lodging	Western District of New York
Liberty Towers Realty I, LLC	10/15/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Real Estate	Eastern District of New York
Quality Lease and Rental Holdings, LLC	10/1/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Oil/Gas, Construction/ Engineering	Southern District of Texas
Deb Shops SD Inc.	12/4/2014	100,000,001 to 500,000,000	10,000,000 to 100,000,000	Retail	District of Delaware
KiOR, Inc.	11/9/2014	100,000,001 to 500,000,000	10,000,000 to 100,000,000	Oil/Gas, Energy	District of Delaware
UniTek Global Services, Inc.	11/3/2014	100,000,001 to 500,000,000	Less than 10,000,000	Telecommunications/ Cable	District of Delaware
Marion Energy Inc.	10/31/2014	100,000,001 to 500,000,000	100,000,001 to 500,000,000	Oil/Gas	District of Utah
ALCO Stores, Inc.	10/12/2014	100,000,001 to 500,000,000	100,000,001 to 500,000,000	Retail	Northern District of Texas
Dendreon Corporation	11/10/2014	500,000,001 to 1 Billion	100,000,001 to 500,000,000	Pharmaceutical/Biotech, Health	District of Delaware
Panamerican Investments Ltd.	10/16/2014	500,000,001 to 1 Billion	100,000,001 to 500,000,000	Transportation	Southern District of New York
Endeavour International Corporation	10/10/2014	Over 1 Billion, but less than 5 Billion	Over 1 Billion, but less than 5 Billion	Oil/Gas	District of Delaware
GT Advanced Technologies Inc.	10/6/2014	Over 1 Billion, but less than 5 Billion	Over 1 Billion, but less than 5 Billion	Energy, Manufacturing	District of New Hampshire
Lindbergh Acquisition Corp.	10/6/2014	Over 1 Billion, but less than 5 Billion	Over 1 Billion, but less than 5 Billion	Energy, Manufacturing	District of New Hampshire

Source: Federal Judiciary

Select Bankruptcies (continued)

Summary

Liabilities	Number of Filings (4Q14)
Less than $10,000,000	791
$10,000,000 to $100,000,000	125
$100,000,001 to $500,000,000	31
$500,000,001 to $1 Billion	10
Over $1 Billion, but less than $5 Billion	17
Over $5 Billion	--
Total Filings	**974**

Source: Federal Judiciary

Select DIP Financings

Four (4) DIP financings over $25 million were announced during the Fourth Quarter, 2014.

Debtor	Industry	DIP Date	Amount ($ millions)	Margin Over LIBOR	Term/Length of Agreement (months)	Upfront Fee
Texoma Peanut Co.	Agriculture	11/6/2014	$41.0	998	2	na
UniTek Global Services Inc.	Telecommunication	11/3/2014	$57.0	850	3	1.0%
Country Stone Holdings Inc.	Construction	10/23/2014	$34.0	502	4	na
Alco Stores Inc.	Retail	10/13/2014	$123.0	307	1	2.3%

Sources: S&P Capital IQ LCD, The Deal, and PACER

Summary Comparison

	Margin over LIBOR	Term / Length of agreement (months)	Upfront Fee
Fourth Quarter 2014:			
Mean ($100MM+) [1]	307	1	2.25%
Median ($100MM+) [1]	307	1	2.25%
Mean ($25-$100MM)	783	3	1.00%
Median ($25-$100MM)	850	3	1.00%
Fourth Quarter 2013:			
Mean ($100MM+)	559	11	3.00%
Median ($100MM+)	650	5	3.00%
Mean ($25-$100MM)	707	3	1.73%
Median ($25-$100MM)	850	2	1.60%

[1] Represents the one DIP in the fourth quarter of 2014 exceeding $100 million.

Sources: S&P Capital IQ LCD, The Deal, and PACER

Q3 2014 DIP pricing compared similarly to the prior year in the $25-100 MM range. Only one $100+ MM DIP occurred in Q4 rendering a year-over-year comparison less meaningful.

Section 363 Sales

Twenty (20) Section 363 sales were completed during the Fourth Quarter, 2014.

Target	Buyer	Industry	Deal Value ($ in millions)	Date Completed	Deal Description
Hukkster Inc.	Jet.com Inc.	Technology	$0.1	12/11/2014	Jet.com Inc. won the auction to acquire Hukkster Inc. with a $65,000 bid.
Ultura (Oceanside) Inc.	UAC Finance Inc.	Environmental Services	$25.0	12/9/2014	Stalking-horse bidder UAC Finance Inc., an affiliate of venture capital firm True North Venture Partners LP, agreed to acquire Ultura (Oceanside) Inc. with a $25 million offer.
Natrol Inc.	Aurobindo Pharma USA Inc.	Healthcare - Pharmaceuticals	$132.5	12/8/2014	Natrol Inc., a 34-year provider of well-known nutritional supplements, completed the sale of substantially all of the company's assets to Aurobindo Pharma USA Inc., a subsidiary of India-based Aurobindo Pharma Ltd., a manufacturer of generic pharmaceuticals and active pharmaceutical ingredients, for a purchase price of $132.5 million plus assumed liabilities.
Red Shield Acquisition LLC	Expera Specialty Solutions LLC	Manufacturing; Agriculture - Paper industry	$10.5	12/8/2014	Expera Specialty Solutions LLC, a portfolio company of private equity firm KPS Capital Partners LP, is the stalking-horse bidder to acquire Red Shield Acquisition LLC, an Old Town Fuel & Fiber pulp mill, with a $10.5 million offer.
Baptist Home of Philadelphia	Deer Meadows Property LP	Real Estate; Healthcare	$33.3	12/1/2014	Stalking-horse bidder Deer Meadows Property LP, an acquisition vehicle 360 LLC of Lakewood, agrees to acquire Baptist Home of Philadelphia for $33.25 million.
FL 6801 Spirits LLC	Z Capital Partners LLC	Real Estate; Leisure - Lodging	$21.6	11/26/2014	Private equity firm Z Capital Partners LLC won the auction to acquire FL 6801 Spirits LLC with a $21.6 million bid.
Alco Stores Inc.	Tiger Capital Group LLC;Great American Group LLC;SB Capital Group LLC	Retail - Discount		11/20/2014	Liquidators and stalking-horse bidders Great American Group WF LLC, SB Capital Group LLC and Tiger Capital Group LLC agree to acquire Alco Stores Inc.
Skyline Manor Inc.	Menomonee Health Holdings LLC	Healthcare; Real Estate	$13.0	11/20/2014	Stalking-horse bidder Menomonee Health Holdings LLC, an acquisition vehicle of Ensign Group Inc., agrees to acquire Skyline Manor Inc. for $13 million.
Hollywood Edge	Sounddogs.com Inc.	Media	$0.6	11/17/2014	Sounddogs.com Inc. won the auction to acquire Hollywood Edge from Todd-Soundelux LLC with a $600,000 bid.
Miller Auto Parts & Supply Co.	Parts Authority Inc.	Automotive	$0.1	11/17/2014	Parts Authority Inc. agrees to acquire eight Georgia store locations owned by Miller Auto Parts & Supply Co. for $75,000 in cash.
American Cadastre LLC - land records business	K2 Private Investors LP	Technology	$7.2	11/14/2014	Private equity firm K2 Private Investors LP won the auction to acquire American Cadastre LLC's land records business from AmCad Holdings LLC with a $7.2 million bid.
Liberty Medical Supply Inc.	Palm Beach Capital Partners LLC	Healthcare – Medical Devices	$68.5	11/13/2014	Private equity firm Palm Beach Capital Partners LLC won the auction to acquire Liberty Medical Supply Inc. with a $68.46 million bid.
Prime Time International Co.	Prime Time International Acquisition LLC	Manufacturing; Food - Tobacco	$8.2	11/10/2014	Stalking-horse bidder Prime Time International Acquisition LLC, an affiliate of real estate company Mueller Group LLC, agrees to acquire Prime Time International Co. for $8.15 million offer.
Crunchies Food Co. LLC	Chaucer Foods (USA) LLC;Simplepitch Ventures	Manufacturing; Food	$3.6	10/22/2014	Stalking-horse bidder Chaucer Foods (USA) LLC agrees to acquire Crunchies Food Co. LLC for $3.63 million.

Section 363 Sales (continued)

Target	Buyer	Industry	Deal Value ($ in millions)	Date Completed	Deal Description
Long Beach Medical Center	South Nassau Communities Hospital	Non profit organizations; Healthcare	$11.8	10/20/2014	South Nassau Communities Hospital won the auction to acquire Long Beach Medical Center with an $11.75 million bid.
WRS Holding Co.	NorthStar Group Holdings LLC	Construction; Environmental Services	$5.0	10/14/2014	Stalking-horse bidder NorthStar Group Holdings LLC agrees to acquire WRS Holding Co. for $5 million.
Naartjie Custom Kids Inc.	Great American Group LLC	Manufacturing; Retail - Clothing		10/3/2014	Liquidator Great American Group LLC won the auction to acquire Naartjie Custom Kids Inc.
Brown Medical Center Inc. - Bedford assets	Elite Ambulatory Surgery Centers LLC	Healthcare	$1.6	10/1/2014	Elite Ambulatory Surgery Centers LLC won the auction to acquire Brown Medical Center Inc.'s Bedford assets with a $1.55 million offer.
Brown Medical Center Inc. - Dacoma Surgery Center	Sidus Enterprises LLC	Healthcare	$4.0	10/1/2014	Elite Ambulatory Surgery Centers LLC wins the auction to acquire Brown Medical Center Inc.'s Dacoma Surgery Center with a $4 million offer.
Brown Medical Center Inc. - Dallas and Scottsdale assets	Northstar Healthcare Hand and Foot LLC	Healthcare	$0.8	10/1/2014	Stalking-horse bidder Northstar Healthcare Hand and Foot LLC agrees to acquire Brown Medical Center Inc.'s Dallas and Scottsdale, Ariz., assets with a $750,000 offer.

Source: The Deal

Amend & Extend Deals

Twenty-nine (29) Amend & Extend deals were announced during the Fourth Quarter, 2014. A majority of extensions were over 24 months.

Name	Amend Deal Date	S&P Loan Rating	Moody's Loan Rating	Extension
Elizabeth Arden Inc.	12/19/2014	NR	NR	47 months
Trinidad Drilling Ltd.	12/15/2014	NR	NR	12 months
J. Crew Group Inc.	12/12/2014	NR	NR	26 months
Tenneco Inc.	12/11/2014	BBB	Baa2	33 months
Alliance Data Systems Corporation	12/10/2014	NR	NR	17 months
Alaska Communications Systems Holdings Inc.	12/9/2014	BB-	B1	na
QEP Resources	12/5/2014	BB+	NR	40 months
Basic Energy Services Inc.	12/2/2014	NR	NR	46 months
Restoration Hardware Inc.	12/2/2014	NR	NR	39 months
MEG Energy Corp.	11/26/2014	BBB-	Ba1	na
Trex Company Inc.	11/26/2014	NR	NR	46 months
Deltic Timber Corp.	11/20/2014	NR	NR	18 months
Aspect Software Inc.	11/19/2014	B	B1	9 months
Omnicare Inc.	11/19/2014	BBB-	Ba2	26 months
Lear Corp.	11/17/2014	BBB	NR	22 months
Steel Dynamics Inc.	11/17/2014	NR	NR	38 months
Ineos Group Ltd.	11/10/2014	BB-	Ba3	19 months
Quality Distribution Inc.	11/6/2014	NR	NR	39 months
Monster Worldwide	11/4/2014	NR	NR	31 months
Park Ohio Industries	10/31/2014	NR	NR	39 months
Belk Inc.	10/29/2014	NR	NR	47 months
Cypress Energy Partners	10/27/2014	NR	NR	24 months
Range Resources Corp.	10/17/2014	NR	NR	44 months
Allegion Plc	10/16/2014	BBB	Ba1	13 months
Graphic Packaging Corp.	10/8/2014	BBB	Ba1	13 months
LPL Holdings Inc.	10/8/2014	BB-	Ba2	30 months
Liberty Tax Inc.	10/7/2014	NR	NR	24 months
InnerWorkings Inc.	10/2/2014	NR	NR	49 months
Supervalu Inc.	10/1/2014	NR	NR	7 months

Source: S&P Capital IQ LCD

Notes

- Sources: S&P, Moody's, The Deal, and others as indicated.
- The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

For further information regarding our Restructuring services, please contact:
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To view all of quarterly industry reports or to make changes to your subscription(s), please go to www.soliccapital.com/SOLIConnect

About SOLIC

SOLIC Capital Advisors, LLC ("SCA") is a leading specialty investment bank providing merger & acquisition, restructuring, capital placement and valuation advisory services to companies, lenders, institutional investors, the legal community and other creditor constituencies. SCA is a subsidiary of SOLIC Holdings, LLC which includes: SOLIC Capital Advisors (financial advisory), SOLIC Capital Partners (principal investing), SOLIC Capital, LLC (FINRA registered Broker/Dealer), and SOLIC Capital Management (asset management services).

AMCAD

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has sold, pursuant to Section 363 of the U.S. Bankruptcy Code, its Land Records and eUniversa businesses to

K2 Private Investors, LP an affiliate of K1 Investment Management, LLC

Financial Advisor

American Cadastre, LLC ("AMCAD") develops software that automates and streamlines state and local government document recording and filing processes. The Company had three primary platforms: Justice, Land Records, and Managed Services. Shortly before SOLIC's engagement, a notable private equity firm made a majority investment to drive growth in AMCAD's Justice software platform. However, due to unforeseen project delays and cost over-runs, the loss of a major client, and fraudulent billing practices, the Company's financial profile quickly deteriorated, leaving insufficient liquidity to cover near-term payroll and continue operating on a going-concern basis.

SOLIC was engaged by the Debtor to:

- Perform an Initial Review & Assessment of the Debtor and provide strategic alternatives that would prevent a Chapter 7 liquidation and maximize recovery on behalf of the Lender via a sum-of-the-parts valuation/sale approach
- Develop a list of qualified, potential purchasers of the Debtor's assets and effectively market such assets until an asset purchase agreement is executed
- Develop a detailed 13-week cash forecast to project and monitor liquidity through the solicitation of the Debtor's assets
- Serve as financial advisor to the Debtor during Chapter 11 Bankruptcy process, assisting in: (i) the negotiation of bankruptcy related matters with outside constituents, including creditors and their advisors, and (ii) developing and negotiating the use of cash collateral and DIP financing
- Facilitate an auction and sale process of the Debtor's remaining assets during the Chapter 11 Bankruptcy

SOLIC professionals, in tandem with the equity sponsor, facilitated the shut-down of the Justice platform, allowing for sufficient liquidity to market the remaining businesses/assets. In addition, the Debtor filed for Chapter 11 protection to facilitate and consummate an asset purchase agreement to sell substantially all of the Debtor's assets pursuant to Section 363 of the Bankruptcy Code. SOLIC professionals completed an expedited sale of the Debtor's assets for a total of $7.6 million, which resulted in a full recovery to the Senior Lender with excess available for unsecured creditors.