

The background is a dark green field with a complex pattern of concentric circles and a grid of small dots. The circles are light green and overlap each other, creating a sense of depth and movement. The grid of dots is also light green and covers the entire background.

FOX PAINE

Specializing in providing solutions and capital to evolving companies.



OUR SUCCESS IS AS DISTINGUISHED
AS EACH OF OUR INVESTMENTS.



“It is our job to give you our very best ideas, and to marry those ideas with our capital to create value for all stakeholders.”

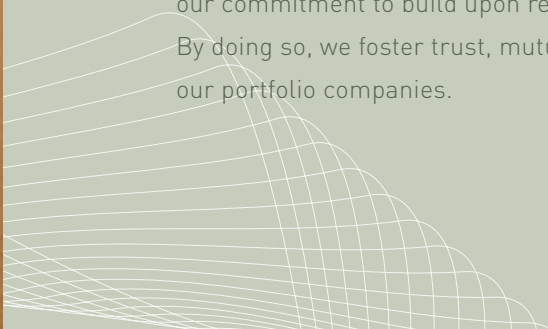
– W. DEXTER PAINE, PRESIDENT, FOX PAINE

OUR FIRM

In partnership with management, Fox Paine specializes in providing solutions and capital for management buyouts, public-to-private transactions and growth capital investments. We participate exclusively in friendly, cooperative transactions with the aim of creating tangible value for all parties involved. Founded in 1997, our firm currently manages more than \$2.7 billion, and our partner companies operate in over 20 countries.

Central to the way we do business is the belief that problem-solving, hard work and long term partnerships produce opportunity and, ultimately, return on capital. Rather than being daunted by multi-faceted and complex deals, we thrive on situations that require in-depth due diligence, thoughtful analysis and creative thinking to address issues and implement solutions. We draw on our team’s deep and diverse industry expertise and an extensive network of global contacts. Our objective is to identify investment opportunities that will—with patience and innovative problem-solving—yield superior, risk-adjusted returns.

We believe a strong, interactive, ongoing relationship with management, predicated on a thorough understanding of each business, is essential to realizing the full potential of each investment. We take pride in the analysis we make prior to our investments, and in our commitment to build upon relationships established during the diligence process. By doing so, we foster trust, mutual respect and an ability to quickly react to the needs of our portfolio companies.



OUR INVESTMENTS

As a function of our proactive and opportunistic investment strategy, we invest in a broad array of industries, ranging from insurance to healthcare, semiconductors to seeds. Beyond this opportunistic approach, our investment experience and active investigation contributes to differentiated expertise in several fields, including insurance and financial services, food and agriculture, healthcare services and medical devices, and energy.

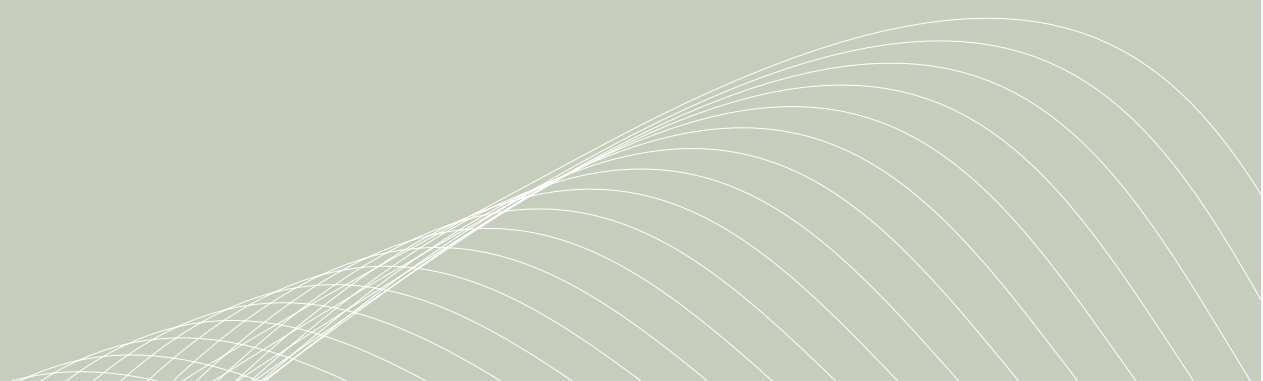
For nearly a decade, the firm has consistently generated exceptional returns for our investors—reflecting our hard work, value-added corporate stewardship and the innovative financial, legal and tax structuring that have become a hallmark of our investment strategy.

“We don’t take convention for granted. We are constantly pushing, probing and challenging each assumption until we have created a solution that uniquely unlocks value.”

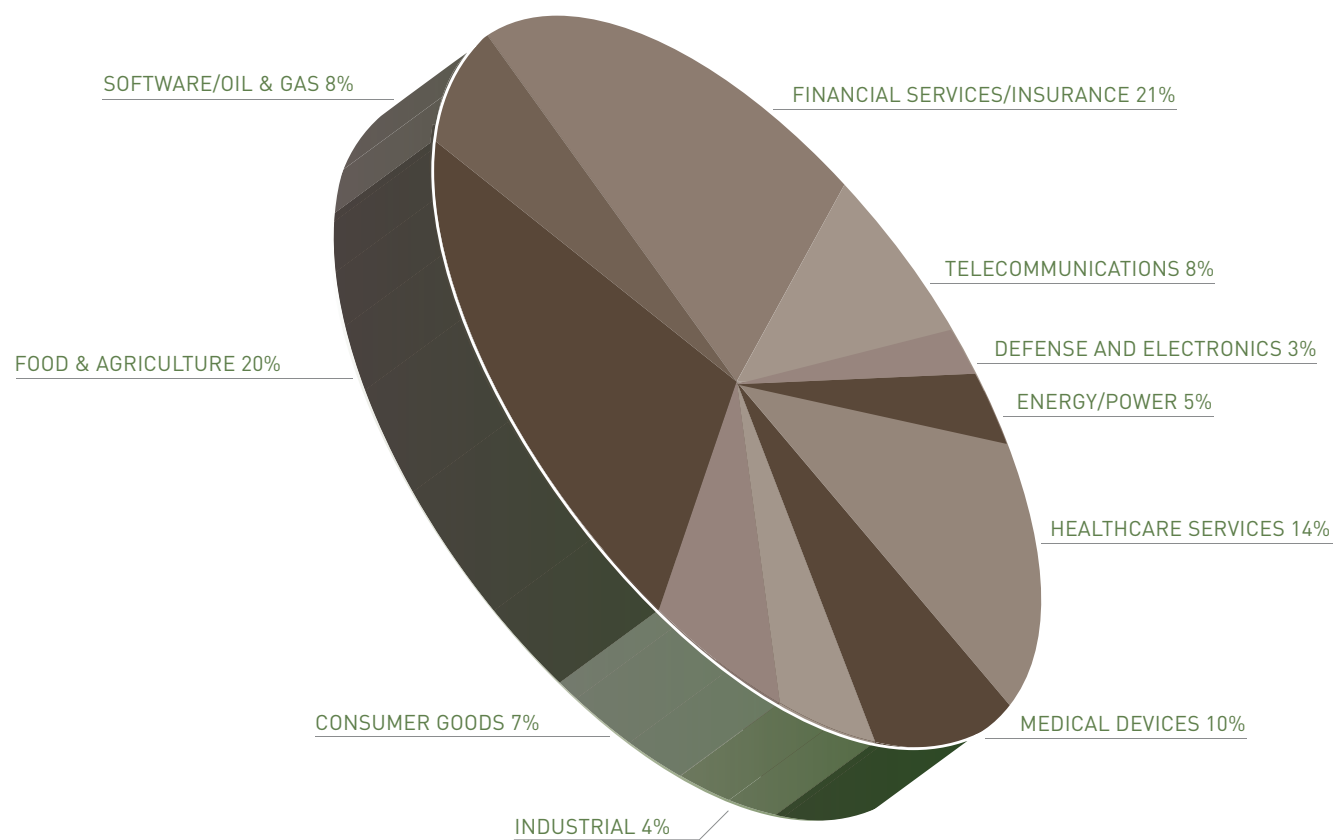
– KEVIN SCHWARTZ, MANAGING DIRECTOR, FOX PAINE

OUR INVESTORS

We manage in excess of \$2.7 billion on behalf of over 50 leading financial institutions, including public pension systems and other government entities, Fortune 100 corporate pension plans, insurance companies and university endowments.



FOX PAINE INVESTMENTS BY INDUSTRY SEGMENT



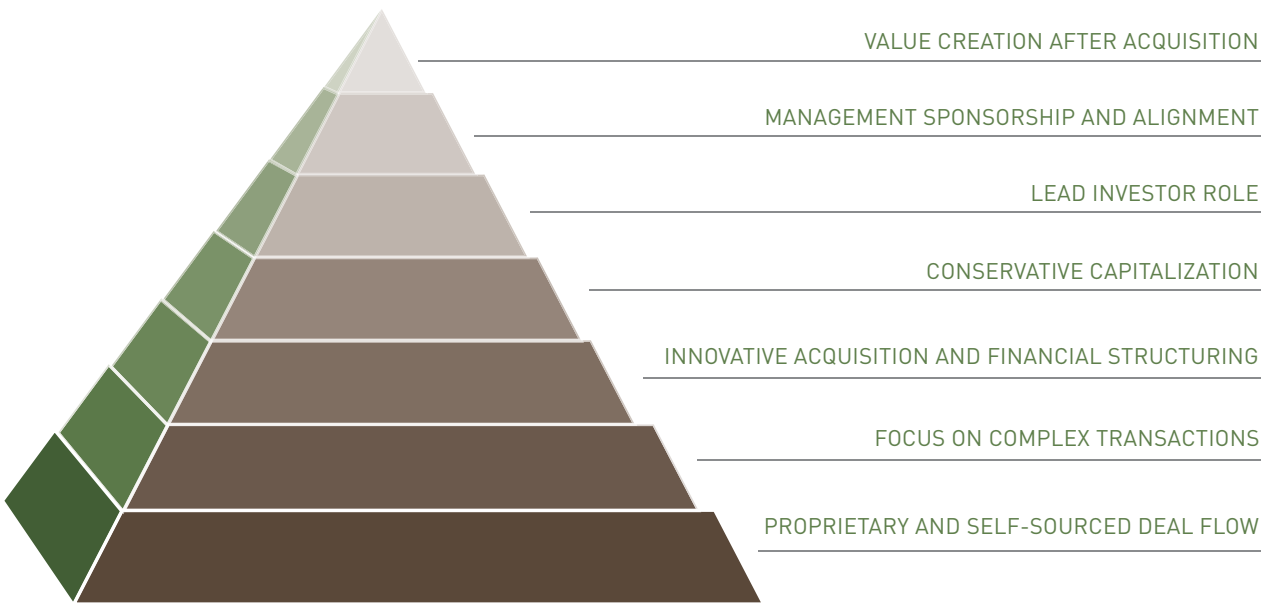
“They took the time to understand the essence of the brand, the heritage of the brand and how customers connect with the brand. This resulted in a shared vision for the company—and Fox Paine’s strong support of a capital plan to significantly grow our store base.”

— REMI CLERO, CEO, L'ARTISAN PARFUMEUR

OUR INVESTMENT STRATEGY

Fox Paine strives to invest in situations that can benefit from resourcefulness and hard work. We apply creativity, industry expertise and a proactive approach to identify superior investment opportunities and cultivate the value of our portfolio companies.

Fox Paine leverages the expertise of our professional team and a deep list of industry contacts in identifying each investment. We specialize in unique transactions that typically fall outside the competitive auction process. By taking this independent approach, we are able to spend significant time studying prospective investments, which in turn allows us to construct case-appropriate solutions and craft post-investment initiatives that unlock value for all stakeholders.



“We strongly believe that strategy should dictate capital structure and not the other way around.”

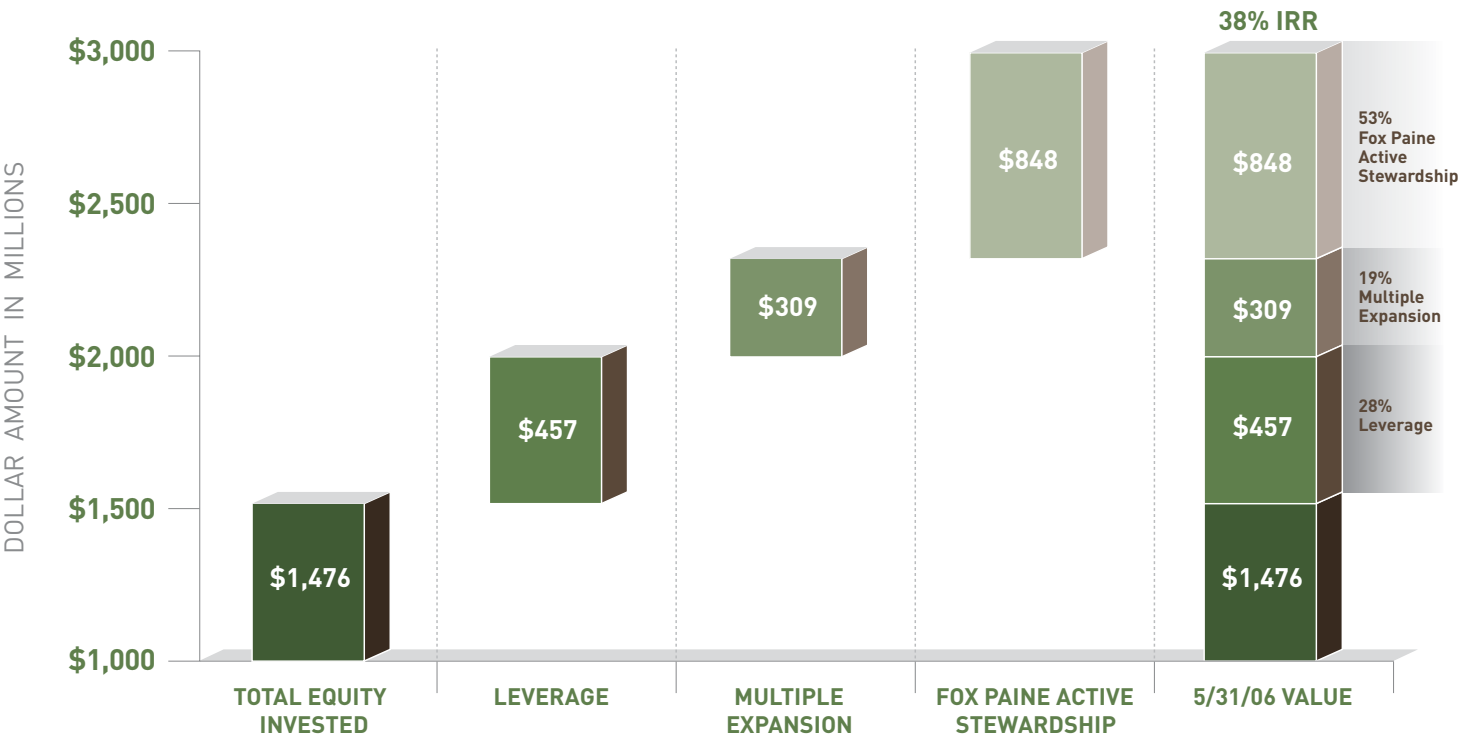
–TROY THACKER, MANAGING DIRECTOR, FOX PAINE

PRUDENT CAPITAL STRUCTURES TO PROMOTE GROWTH

In analyzing the returns of our past transactions, we find that financial leverage has played only a minor role in our success, whereas capital structures that afford operational flexibility and reinvestment have proven most critical. We first work with management teams to understand business strategies, and then develop capital structures to suit a given strategy. As a result of this approach and Fox Paine’s focus on cash-on-cash returns, we typically employ less leverage than our peers while consistently delivering attractive risk-adjusted returns.



FOX PAINE INVESTMENT PERFORMANCE







“After Fox Paine completes an acquisition, the hard work begins—that’s when they roll up their sleeves and really help the leaders of the portfolio companies make their businesses successful...You just couldn’t ask for greater commitment to the process of growing a company.”

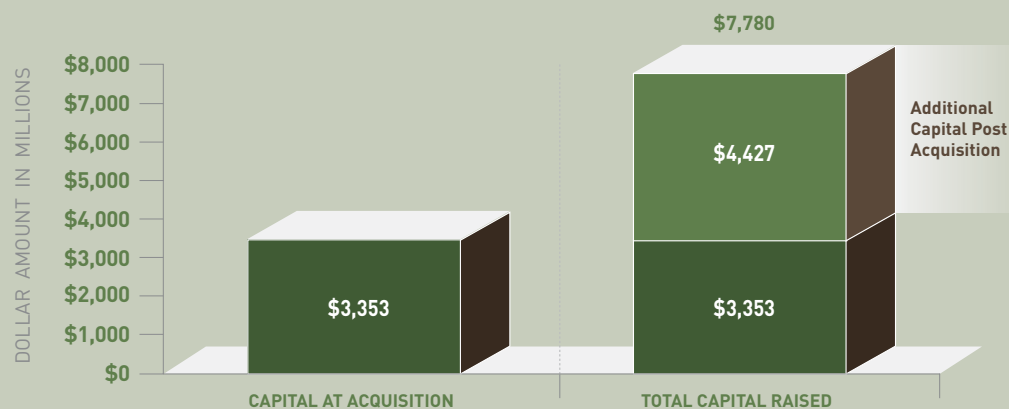
– JOHN GIBSON, CEO, PARADIGM

ROLE AS LEAD INVESTOR

We typically invest in controlling positions in each of our investments, allowing us at the board level to assess strategic initiatives and key tactical decisions that impact our portfolio companies. We believe a close relationship with management and regular interaction with our companies is crucial to the success of each of our investments. Further, by aligning economic incentives with our objectives, we offer management teams lucrative investment opportunities alongside Fox Paine’s investment. Even after we have exited an investment, many of our portfolio company managers continue to work with us on future investments and maintain long-term relationships with our team.

VALUE CREATION AFTER ACQUISITION

Post-investment, Fox Paine and management establish clear plans to enhance value, including targeting add-on acquisitions, accelerating growth capital or R&D expenditures, and structuring efficient capital markets transactions. We have an excellent track record of successfully executing and integrating add-on acquisitions, having completed over 50 such add-on acquisitions as enhancements to our portfolio companies. Fox Paine has arranged in excess of \$4.4 billion of capital to effectuate these strategic add-on-acquisitions by directly providing additional capital, accessing financial markets to raise low cost capital, or repositioning companies to attract new investors.





“Identifying, challenging, rewarding and partnering with great management teams are the most important things we can do to influence superior investment outcomes.”

– MITCHELL PRESSER, MANAGING DIRECTOR, FOX PAINE & CO.



CASE STUDY

UNITED AMERICA INDEMNITY, LTD.

United America Indemnity, Ltd. (NASDAQ: INDM) is one of the leading excess and surplus lines insurers in the specialty property and casualty industry, with operations in the U.S., Barbados and Bermuda.

At the time of acquisition, UAI represented an excellent company in a thriving industry where pricing had increased by 90% over two years. UAI had achieved 21% and 17% compound annual growth rates in written premiums and GAAP equity over 20 years, and had achieved an underwriting profit in 21 of the 22 years prior to acquisition.

In early 2003, UAI management requested Fox Paine's help in averting an imminent ratings agency downgrade, which created an opportunity for Fox Paine to invest in UAI. Fox Paine worked in partnership with management to structure a buyout transaction and to secure required regulatory approval and ratings agency support—as well as position the company for an immediate IPO.

Within months after acquisition, UAI completed an IPO, and in 2004, Fox Paine led the \$250 million simultaneous acquisitions of Penn-America Group and Penn-Independent Group. UAI has achieved strong organic revenue and profit growth, as well as an 80% reduction in its net receivables leverage since investment.



Seminis

“FOX PAINE’S UNIQUE WILLINGNESS
TO INVEST THE TIME, ENERGY AND
RESOURCES IN A LONG AND ARDUOUS
RESTRUCTURING PROCESS CREATED
A WIN-WIN SITUATION FOR ALL
CONSTITUENTS.”

– BRUNO FERRARI, FORMER CEO, SEMINIS



CASE STUDY SEMINIS, INC.

At the time of acquisition, Seminis was the global market leader in the development, production and marketing of vegetable and fruit seeds in approximately 150 countries.

Prior to Fox Paine's acquisition, Seminis was owned by several Mexican holding companies controlled by a single shareholder, Mr. Alfonso Romo Garza. Seminis held valuable intellectual property—including valuable, proprietary seed technologies—and was strategically positioned to experience strong growth. Additionally, Seminis generated attractive EBITDA margins and high returns on capital given its limited capital requirements.

As a result of events that began in 1999, Mr. Romo Garza called Fox Paine to help solve structural issues and liquidity problems resulting from Mr. Garza's holding company structure. This ultimately led to our acquisition of Seminis and resulted in settlement agreements with more than 100 foreign creditors of Seminis' Mexican holding companies, as well as highly structured success-based equity securities, and facilitated the privatization of Seminis through a long-form merger process. Fox Paine acquired majority control of Seminis in a \$606 million transaction that closed in September 2003.

In 2004, Fox Paine executed an add-on high yield debt offering to enhance financial and operating flexibility, and to invest in research and development facilities. Seminis was sold to the Monsanto Company in March 2005 for in excess of \$1.5 billion.



“FOX PAINE’S ANALYTICAL RIGOR
APPROPRIATELY CHALLENGED OUR
MANAGEMENT TEAM, AND LAID THE
GROUNDWORK TO EXECUTE A VERY
AMBITIOUS STRATEGIC PLAN WITHIN
18 MONTHS—INSPIRING CONFIDENCE IN
THE MANAGEMENT OF THE COMPANY.”

— DAVID BUCKERIDGE, CEO, ADVANTA



CASE STUDY

ADVANTA NETHERLANDS HOLDINGS BV

At the time of acquisition, Advanta was the fifth largest agronomic seed company in the world and the largest independent company in the industry with approximately \$500 million in revenue.

Fox Paine was attracted to Advanta's stable, diversified revenue stream, leading market share positions in key crop varieties in certain geographic regions, and leading R&D capabilities and technology positions. Advanta's high EBITDA margins and excellent cash flow generation characteristics were also highly desirable.

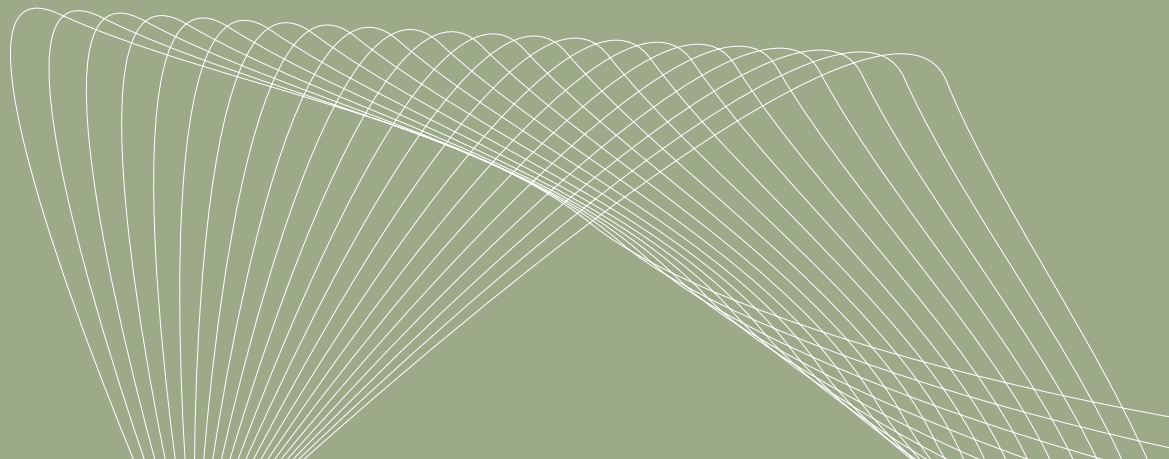
Through a focused, proactive agribusiness search, Fox Paine identified Advanta as an attractive target more than two years prior to acquisition. Working under the premise that no other single strategic buyer was likely or able to buy the whole business, we partnered with Syngenta, the world's leading agricultural chemical company, to facilitate our acquisition. Fox Paine and Syngenta allocated Advanta's various global business units in a transaction structured to address antitrust and technology licensing issues faced by Syngenta. We invested \$75 million to complete the transaction in September 2004.

In addition to growing various core business lines and geographies, Fox Paine undertook a comprehensive legal reorganization of 27 Advanta entities in 17 different countries in order to position them for tax-efficient divestiture. In less than 18 months, Fox Paine realized 4.1x its initial investment through four strategic divestitures.



“WE ARE ALWAYS LOOKING FOR WAYS
TO TRANSFORM COMPANIES BY FOCUSING
MANAGEMENT ON A HANDFUL OF KEY
INITIATIVES AND DEPLOYING ADDITIONAL
CAPITAL TO ACCELERATE GROWTH.”

– SAUL A. FOX, CHIEF EXECUTIVE, FOX PAINE & CO.





CASE STUDY

ACMI CORPORATION

Founded in 1908, ACMI is a leading designer and manufacturer of medical endoscopy systems, primarily focused in urology and gynecology. Prior to the acquisition by Fox Paine, ACMI was a wholly-owned subsidiary of a publicly traded company. Prior to that it was an independent publicly-traded company subject to one of the longest hostile takeovers in the history of the NYSE.

At the time Fox Paine acquired ACMI, the company was being managed as a “cash cow” with limited investment in R&D, people and operations. Fox Paine saw an opportunity to accelerate revenue and earnings growth by focusing on a small number of key operating initiatives and reinvigorating the new product pipeline in the company.

After completing the spin-out and separate capitalization of ACMI in a \$239 million transaction in November 1999, Fox Paine invested over \$75 million in R&D to build ACMI’s new product pipeline. In 2004, ACMI acquired Cbyond, an Israeli-based leading designer of digital software, with proprietary digital imaging technology. Additionally, Fox Paine executives assumed the management positions of CEO and Head of Finance to facilitate execution of key strategic and tactical initiatives, including a realignment of the company’s operations, strategic initiatives and organizational structure. Revenue growth subsequently doubled, and EBITDA increased 33%.

Based on the renewed growth and a strong new product pipeline, Fox Paine negotiated a \$500 million sale of ACMI to Gyrus Group PLC in June 2005.





PORTFOLIO COMPANIES



ACMI is one of the largest endoscopy companies in the United States—developing, manufacturing and selling diagnostic and therapeutic endoscopic instrumentation products and systems focused in the areas of urology, gynecology, general surgery and other select clinical specialties. The company has 900 employees, 104 patents and sells in more than 70 countries around the world. **(Exited Investment in 2005)**



Alaska Communications Systems Group, Inc. (NASDAQ: ALSK) or ACS is the leading integrated communications provider in Alaska, offering local telephone service, wireless, Internet, long distance and television to business and residential customers throughout Alaska. As a facilities-based provider, ACS serves customers' needs at home, at work and while on the go. ACS provides communications services to three-fourths of the state's population, serving 74 communities, including the population centers of Anchorage, Fairbanks, Juneau, Kenai/Soldotna, Kodiak and Sitka. **(Exited Investment in 2006)**



Advanta is the culmination of a joint venture between two well-established and progressive seed enterprises: the Royal Vanderhave Group from the Netherlands and Zeneca Seeds from the United Kingdom. Established in 1996, the business has developed into a major force in a rapidly changing seed industry. Having laid the foundations of important R&D programs in maize, grasses, cereals and sugar beet in the first half of the 20th century, the company has a rich tradition in plant breeding that supports its current focus on modern science and technology. **(Exited Investment in 2006)**



Byram Healthcare is a leading provider of disposable medical supplies and services to customers in their homes. Byram specializes in the provision of products for the treatment and care of ostomies, diabetes, urology/incontinence and chronic wounds.



Erno Laszlo is a leading luxury skin care company originally founded more than 75 years ago by Dr. Erno Laszlo, a renowned European dermatologist. The company sells skin care products including cleansers, moisturizers, and sun protection and anti-aging formulae.



L'Artisan Parfumeur is a 35-year old, Paris-based, prestige personal and home fragrance company. Its ultra-luxury products are distributed through the company's own retail stores and through high-end specialty stores worldwide.



Paradigm, founded in 1992, is the leading geoscience software and services provider to the oil and gas industry for Rock and Fluid Interpretation. Paradigm helps global oil and gas companies safely replace reserves and increase daily well production in complex geological areas.

PORTFOLIO COMPANIES

PENHALIGON'S LONDON

Penhaligon's is a 135-year old distinguished British manufacturer, distributor and retailer of prestigious toiletries and related gift items. A well known, UK-based "High Street" retailer, the Penhaligon's brand name is affectionately regarded as a timeless masterpiece with a deep-rooted respect for tradition.

Seminis

Seminis is the largest developer, grower and marketer of fruit and vegetable seeds in the world. The company's hybrids improve nutrition, boost crop yields, limit spoilage and reduce the need of chemicals. **(Exited Investment in 2005)**

UAI United America Indemnity, LTD

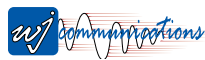
United America Indemnity, Ltd. (NASDAQ: INDM) is comprised of the U.S. Operations consisting of the member companies of United National Group, based in Bala Cynwyd, PA; Penn-America Group, Inc. and Penn Independent Corporation, both based in Hatboro, PA; and the Non-U.S. Operations of Wind River Insurance Company, Ltd., based in Bermuda, and Wind River Insurance Company (Barbados) Ltd., based in Barbados. These wholly-owned operating subsidiaries are specialty property and casualty insurers that provide excess and surplus lines insurance products and specialty admitted products through a select nationwide network of professional general agents.



United American Energy Holdings Corp. develops, acquires, owns and manages electric generating facilities, including gas-fired cogeneration, hydroelectric generation and generation powered by coal and solid waste fuels. **(Exited Investment in 2003)**



VCST is a leading European full-service Tier 2 supplier of precision-machined components for the automotive industry. The company is a vertically integrated supplier with capabilities spanning design and prototyping, precision-machining of engineered components, and surface and heat treatment of steel and aluminum products. VCST's products serve both the passenger and commercial vehicle markets and include engine and transmission gears, gear sets, shafts, ABS brake blocks and select smart assemblies. **(Exited Investment in 2005)**



WJ Communications is a diversified developer and manufacturer of wireless communications equipment and components primarily for use by original equipment manufacturers and personal communications service providers.

KEY PLAYERS

The investment professionals at Fox Paine possess broad expertise in MBOs, private and public equity, corporate finance, business and tax law, commercial and investment banking, and mergers and acquisitions.



SAUL A. FOX

CHIEF EXECUTIVE, FOX PAINE & CO.

Saul Fox was reared and educated in Philadelphia, Pennsylvania, attending Temple University (B.S., Communications, Summa Cum Laude, President's Scholar, 1975) as well as the University of Pennsylvania Law School (J.D., Cum Laude, 1978).

After graduating law school in 1978, Mr. Fox joined Latham & Watkins, a leading international law firm, in their Los Angeles headquarters. There Mr. Fox built a national legal practice structuring complex business transactions, as well as participating in Latham & Watkins' management and administration.

In 1984, Mr. Fox joined Kohlberg Kravis Roberts & Co. (KKR), the pioneering private equity firm. At KKR, Mr. Fox identified, evaluated, structured and negotiated a broad array of acquisition and merger transactions, as well as arranged over \$3.0 billion of public and private financings for these transactions. Mr. Fox was the KKR partner responsible for three of the firm's exceptionally successful transactions: (i) American Reinsurance, the largest and most remunerative insurance company management buyout to date, (ii) Canadian General, KKR's first international (non-U.S.) acquisition and the first significant leveraged acquisition of an insurance company in Canada, and (iii) Motel 6, at the time the largest U.S. budget lodging/operating company.

In 1997, Mr. Fox founded Fox Paine & Company, LLC, a private investment firm. Fox Paine deploys investment capital where it concludes (based on the firm's specific industry expertise, rigorous due diligence and analytic processes) that Fox Paine's association will significantly enhance value by enabling a company to achieve agreed upon long-term strategic objectives.



W. DEXTER PAINE, III

PRESIDENT, FOX PAINE & CO.
CEO, FOX PAINE MANAGEMENT III, LLC

W. DEXTER PAINE, III is the co-founder of Fox Paine & Company, serving as President since its inception in 1997, and is the CEO of Fox Paine Management III, LLC, the manager of Fox Paine Capital Fund III.

Mr. Paine grew up in North Conway, New Hampshire and is a graduate of Williams College (B.A. Economics, 1983). After graduating from college, Mr. Paine began his professional career at Bankers Trust Company in New York and in 1984, joined its Structured Finance Group in Los Angeles, California.

In 1987, Mr. Paine left Bankers Trust to join Robertson Stephens & Company for the purpose of establishing a leveraged buyout group for the firm. Two years later, Mr. Paine became the youngest general partner of Robertson Stephens & Company. In 1994, Mr. Paine joined Kohlberg & Company to establish and head the firm's West Coast office.

Mr. Paine is currently President of the U.S. Ski Team Association, a member of the International Board of Directors for Right to Play and The Nueva School, and past Chairman of the Board of Holderness School.



MITCHELL PRESSER

MANAGING DIRECTOR

Mr. Presser was raised in Brooklyn, NY. He is a graduate of Yale Law School (J.D., 1989) and New York University (B.S. in accounting, magna cum laude, 1986).

After graduating law school in 1989, Mr. Presser joined the New York law firm Wachtell, Lipton, Rosen & Katz and was named partner in 1996. At Wachtell, Mr. Presser built a successful practice concentrating on mergers and acquisitions, private equity, leveraged buyouts, corporate governance and securities law matters. In addition to advising Fox Paine on numerous acquisitions and dispositions including, Seminis, Advanta, United American Energy and ACMI, among others, Mr. Presser represented a number of other private equity and investment firms including Goldman Sachs, Morgan Stanley, Warburg Pincus, New Mountain, and Quadrangle Capital Partners.

In 2006, Mr. Presser joined Fox Paine and is focused on deal structuring and new investment opportunities.



KEVIN M. SCHWARTZ

MANAGING DIRECTOR

Mr. Schwartz was raised in Moline, Illinois. He is a graduate of the University of Illinois (B.S. in Accountancy, 1997). After graduation from the University of Illinois, Mr. Schwartz joined Goldman, Sachs & Co. as a Financial Analyst, focusing on financial analysis of mergers, acquisitions, divestitures, public and private financings, and other corporate transactions.

In 1999, Mr. Schwartz joined American Industrial Partners, a private equity investment firm focused on the general industrial sector. During his tenure at American Industrial Partners, he was involved with both new investments and portfolio company management.

In 2000, Mr. Schwartz joined the private equity investment firm Fremont Partners, where he focused on the building products, financial services and consumer products industries. At Fremont Partners, Mr. Schwartz was responsible for financial and business due diligence, transaction structuring and negotiation, and monitoring the firm's portfolio of investments.

In 2002, Mr. Schwartz joined Fox Paine. His current and previous investment responsibilities include Advanta Netherlands Holdings B.V., Seminis, Inc., United American Energy Corp. and VCST Industrial Products. Mr. Schwartz has substantial expertise in the food and agribusiness, consumer, financial services, and automotive/industrial industries.



TROY W. THACKER

MANAGING DIRECTOR

Mr. Thacker was raised in Tulsa, Oklahoma. He is a graduate of Rice University (B.S. in Chemical Engineering, 1995) and the Harvard Business School (M.B.A, 2000). Mr. Thacker began his career with Morgan Stanley & Co. in 1995, assisting with the establishment of a regional corporate finance office in Houston, Texas. While at Morgan Stanley, Mr. Thacker worked on financings, mergers and acquisitions, and other corporate transactions for energy and industrial companies based in the Southwest.

In 1997, Mr. Thacker joined SCF Partners, a private equity investment firm focused on the energy services and equipment manufacturing markets. During his tenure at SCF, he was involved with several new investments.

After graduation from Harvard Business School in 2000, Mr. Thacker joined Gryphon Investors, Inc. While at Gryphon, Mr. Thacker focused on retail and business services investment opportunities.

In 2001, Mr. Thacker joined Fox Paine. Mr. Thacker currently serves as a member of the Board of Directors of Paradigm Geotechnology B.V. and United America Indemnity, Ltd. (NASDAQ: INDM), and previously served on the board of United American Energy Corporation. Mr. Thacker has developed substantial experience and expertise in the software, energy, insurance and financial services, and retail and business services industries.



FOX PAINE

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