

**AMF Bowling**

With \$4.5MM in cash, the co. secured a \$50MM DIP financing facility with interest around 10.5% - 11%. Also, unused line accrues rate of 0.75%. Prepetition debt of \$296 MM - \$216MM 1<sup>st</sup> lien and \$80MM 2<sup>nd</sup> lien. The 1<sup>st</sup> lien is a "Term B" loan with Credit Suisse.

McKinsey provided restructuring advisory and projected cash shortfall of \$8.9MM by Nov. 18, 2012, which subsequently led to the DIP financing. So Moelis, their IB, began looking for potential DIP lender. It's not promising when third party lenders don't participate in the DIP financing, so an ad hoc group of 1<sup>st</sup> lien lenders financed DIP facility, by securing all assets. 2<sup>nd</sup> lien lenders compromised. \$50 MM in term loan, with \$35MM withdrawn immediately and the balance drawn in \$5MM increments.

**DIP Lenders and Commitments**

<u>Lender</u>	<u>Commitment Amount</u>	<u>Commitment Percentage</u>
Credit Suisse Loan Funding LLC	\$10,000,000.00	20.00%
Goldman Sachs Palmetto State Credit Fund, L.P.	\$3,637,000.00	7.27%
Liberty Harbor Master Fund I, L.P.	\$22,863,000.00	45.73%
Midtown Acquisitions, L.P.	\$13,500,000.00	27.00%
<b>Totals:</b>	<b>\$50,000,000.00</b>	<b>100.00%</b>

It is difficult to find filings related to the co's operational environment prior to the bankruptcy filing. The 10K is not recent and the data in the bankruptcy agent website provides zero related documents. But numerous websites provide more color such as the previous bankruptcy, buyout by PE firm in the mid-2000s and the co's dependency on leisure seeking individuals, more so than league revenue, as in the past. Also, the 1<sup>st</sup> lien holders will convert to equity and will seek to reemerge from bankruptcy within 5 months.