



Turnaround & Management Consulting

June 17, 2015

**To:** Ron Van Den Heuvel  
**Cc:** John R. Petitjean  
**From:** Scott Kohler/Jim Szczepanik  
**Subject:** Operating Budget for the Estate of Green Box NA Green Bay LLC (referred to as Green Box)

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Per our discussion on June 11, 2015:

We discussed preparing an operating budget that would include all revenues, collection of accounts receivable and expense that would accrue to the estate of Green Box during the receivership. In our discussion we identified and you confirmed the following:

- Building located at 2107 American Blvd., Green Bay, WI. The real estate is owned by Green Box and is part of the estate assets. The location/operation is currently leased to Patriot Tissue and all operating expenses including but not limited to maintenance, utilities, security, repairs, real estate taxes, insurance, etc. are the responsibility of Patriot, NOT Green Box. Per your comments and the lease, Patriot pays Green Box \$74,000 per month for base rent and an additional \$9,000 for real estate taxes. You further confirmed there are no operating expenses that are the responsibility of Green Box.
- Green Box currently utilizes office space at 2077A Lawrence, Green Bay, WI and stores equipment at 500 Fortune Avenue, Green Bay, WI (commonly referred to as the EchoFibre building) and stores equipment at the Parkview Building. These buildings provide equipment storage space. Per your comments, there are no operating expenses or rent obligations that are the responsibility of Green Box. In addition you stated that all operating expenses for those locations are the responsibility of the operating entities housed in those building and that the ownership of those entities is a related party to the ownership of Green Box.
- Currently, Green Box has approximately \$84,000 in open accounts receivables which includes \$74,000 in rent due Green Box from Patriot and an additional \$9,000 of misc. receivables, which you will provide details relating to.

During our discussion, you agreed to provide detailed information and support for the May 31, 2015 balance sheet that you provided including specific details/lists/descriptions related to the following:

- Parts inventory totaling \$308,218.
- Open accounts receivable balance of \$83,327.
- \$700,000 note receivable due from Clifton.

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- Valuation, appraisals and/or detail supporting the values of the Pellet Equipment, New Liquefaction Equipment, Oil & Pellet System, and After Dryer Systems.
- Supporting documentation related to Raymond James offer to purchase the Green Box Building for \$15,000,000 and to pay \$740,000 for the Training Systems and Materials.
- Provide License and third party valuations of the RAR Surface and Waste Water Intellectual Properties, Tech for Prolysis/Liquefaction, Tech for ASTM 975 Diesel fuel Distillation, and for the Waste Tire Recovery to Syngas BIO Char, BioFuels License.
- Accounts payable totaling \$1,326,290.
- Old PCDI Equity Debt totaling \$5,593,823.
- Working Capital Loan of \$682,098.
- Steve Smith obligation of \$5,475,357.
- State of Wisconsin obligation of \$1,116,000.
- Clifton Group obligation of \$2,000,000.
- Varde Partners obligation of \$7,000,000.
- Maple Bridge obligation of \$7,150,000.
- Member Contribution Sub Debt RVDH from VHC obligation of \$1,701,200 (money that you and your brothers put into the company).
- RVDH Sub Debt (Installment) of \$1,522,000 (money that you put in the company).

In addition to the preceding, please supply us with the names and addresses of all suppliers/vendors, customers, and employees utilized by Green Box in the past 12 months.

You also confirm that you transferred all Green Box personnel to Patriot Tissue on June 2, 2015. All obligations that Green Box may have had for or to those employees, including but not limited to wages, benefits, taxes, 401K obligations, and wage garnishments, are the responsibility of Patriot, not Green Box.

In closing, you confirmed that the only revenue of the estate is the rent due from Patriot to Green Box and the only expenses of the estate are professional fees.

Please acknowledge our discussion by signature at the bottom of this memo, confirming and agreeing to provide the detailed supporting documentation for the items identified above ***NO LATER THAN JUNE 22, 2015.***

Thank you,



Scott E. Kohler  
Silverman Consulting  
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