

FEI Roundtable: Private Equity Impact of Inflation, Higher Interest Rates and Prospect of Recession

NOVEMBER 14, 2022



Tom Montgomery, Montgomery Capital Advisers, LLC

Tom is the President of Montgomery Capital Advisers LLC where he oversees a diverse, multimillion-dollar portfolio of private investments in commercial real estate, oil and gas, construction, manufacturing, professional services, technology, healthcare and financial services. Tom is also the lead on several MCA investments in large, multi-family and mixed-use development projects in north Texas, and around the state. In addition to his work at MCA, Tom was a Consultant for Baker Tilly, formerly Montgomery Coscia Greilich LLP, which he formed in 2003. Tom's primary disciplines include advanced tax planning, transactional services, particularly mergers, acquisitions, debt/equity financing for both public and private companies and strategic and operational planning for large and medium sized businesses.



Bayard Friedman, CIC Partners

Bayard Friedman is a managing director with CIC Partners and has been with the Firm since 2010. Prior to joining CIC, he worked for Bain & Company in Atlanta. He currently serves as a director of Pogo Resources, RMX Resources, Tri-State Holdings, Willie's Grill & Icehouse, and Precision Aerospace. He is an official Board Observer at ACE Holdco PBC and a former director of Stronghold Energy Partners, L.P. Bayard graduated from Duke University.



Christopher Kersey, Havencrest Capital Management, LLC

Christopher W. Kersey serves as the founding managing partner of Havencrest Capital Management, LLC, one of the nation's leading private equity firms focused on the health care and life sciences industry. About Johns Hopkins Medicine SEARCH Prior to founding Havencrest, Dr. Kersey served as a managing member and partner of Camden Partners Holdings LLC, one of the oldest, largest and top ranked growth equity and investment management funds in the United States, where he focused on private equity investments in the health care and life sciences industries.



Ben Slater, Highlander Capital

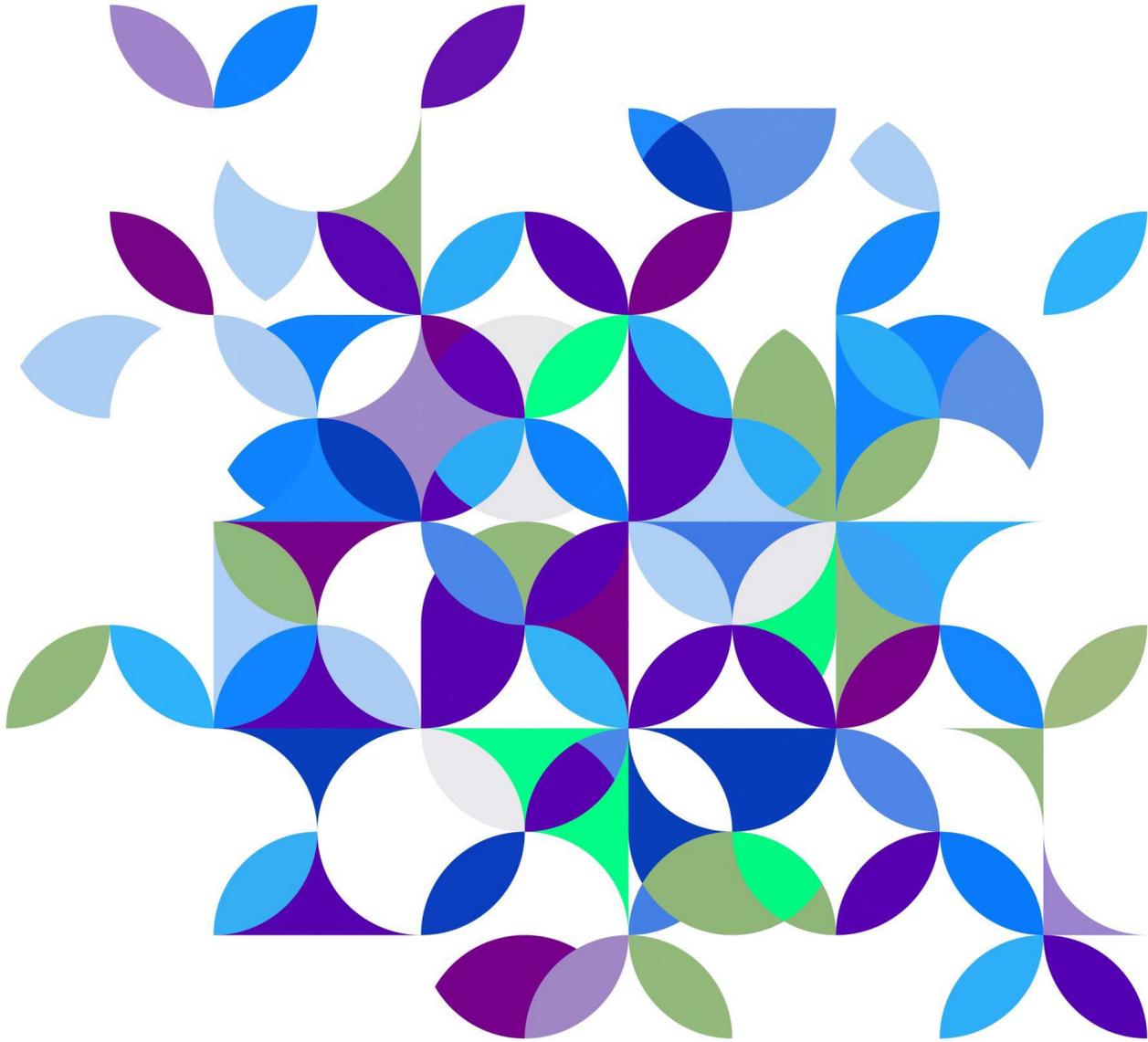
Ben serves as a Partner in Highlander's private equity practice and is based in Dallas. In this capacity he focuses on leveraged buyouts, recapitalizations, and growth financings across a variety of industries. He is responsible for sourcing and assessing potential investment opportunities, managing the transaction process and working closely with portfolio company management teams. Ben is a member of the firm's management and investment committees.



Will Walters, Craftsman Capital

Will Walters is Partner at Craftsman Capital which he helped co-found in 2014. Mr. Walters is currently a Board Manager of portfolio companies BOXX Technologies and CMIT Solutions. Mr. Walters was a Board Manager at portfolio company ScanData Solutions prior to divestiture to Transplace and ultimately Uber Technologies (NYSE: UBER) in June 2020. Prior to Craftsman Capital, Mr. Walters was a Vice President with a Dallas-based private equity firm from 2007-2014.

Mr. Walters maintains leadership positions within the Dallas community including serving as past President of the DFW Private Equity Forum, Board Member of the SMU MBA Venture Capital and Private Equity Fund, Graduate of Leadership Dallas, and Graduate of Leadership Arts Institute. Mr. Walters graduated from SMU where he received a BBA in Finance and later an MBA in Finance.



Top 10 Lies Told to Companies by Private Equity Firms

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**10. Ignore our preferred
liquidation value- that will never
come into play.**

Top 10 Lies Told to Companies by Private Equity Firms

**9. Nothing will change, other
than you will have the
capital to do what you
want.**

Top 10 Lies Told to Companies by Private Equity Firms

**8. We only work
collaboratively with you!!!**

Top 10 Lies Told to Companies by Private Equity Firms

**7. We are excited about
allocating funds for
significant capital
expenditures!!!**

Top 10 Lies Told to Companies by Private Equity Firms

**6. We are all about the long
term, we do not take a
short-term approach!!!**

Top 10 Lies Told to Companies by Private Equity Firms

**5. We don't have a deep
bench of professionals, so
it will be management
leading the show!!!**

Top 10 Lies Told to Companies by Private Equity Firms

**4. Do not worry about the
superpowers, we will
never use them.**

Top 10 Lies Told to Companies by Private Equity Firms

3. There is so much low hanging fruit here, we can't help but succeed!!!

Top 10 Lies Told to Companies by Private Equity Firms

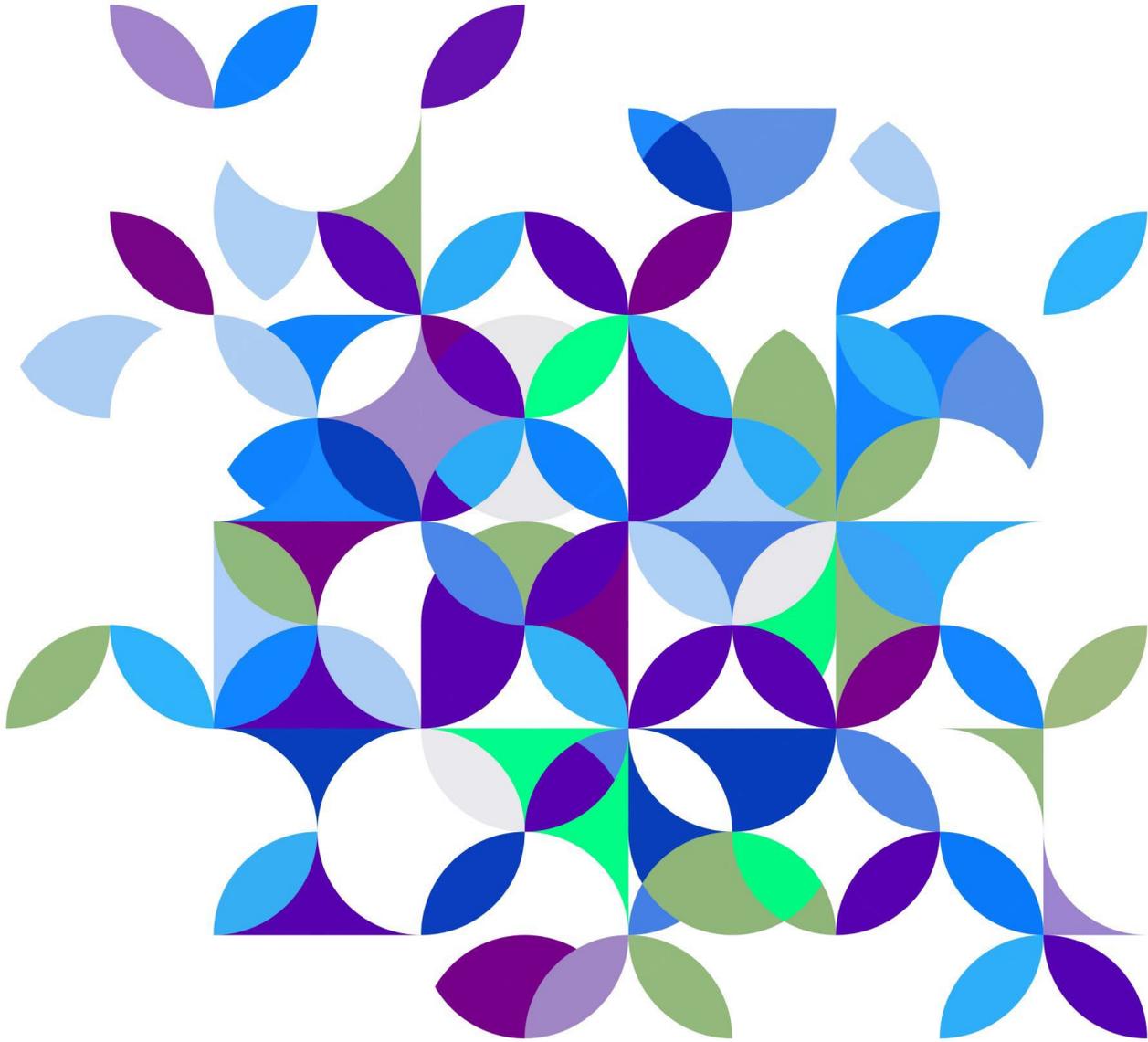
**2. We only put a MODERATE
amount of debt on our
companies!!!**

Top 10 Lies Told to Companies by Private Equity Firms

**1. Trust us to do the right
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Top 10 Lies Told to Companies by Private Equity Firms

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9. Nothing will change, other than you will have the capital to do what you want.
8. We only work collaboratively with you!!!
7. We are excited about allocating funds for significant capital expenditures!!!
6. We are all about the long term, we do not take a short-term approach!!!
5. We don't have a deep bench of professionals, so it will be management leading the show!!!
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**10. All we have to do is get
1% of the market to be a
homerun.**

Top 10 Lies Told to Private Equity Firms By Companies

**9. All of our customers are
solid and not at risk.**

Top 10 Lies Told to Private Equity Firms By Companies

**8. “Fortune 100 Company” is
too big, dumb or slow to be
a threat to us.**

Top 10 Lies Told to Private Equity Firms By Companies

**7. Hurry because several
other PE firms are
interested.**

Top 10 Lies Told to Private Equity Firms By Companies

**6. No one else is doing what
we are doing.**

Top 10 Lies Told to Private Equity Firms By Companies

**5. No one else can do what
we are doing.**

Top 10 Lies Told to Private Equity Firms By Companies

**4. “Big-Name Research”
says our market will be
\$50 billion within a
year.**

Top 10 Lies Told to Private Equity Firms By Companies

**3. Employees are happy
with their
compensation no need
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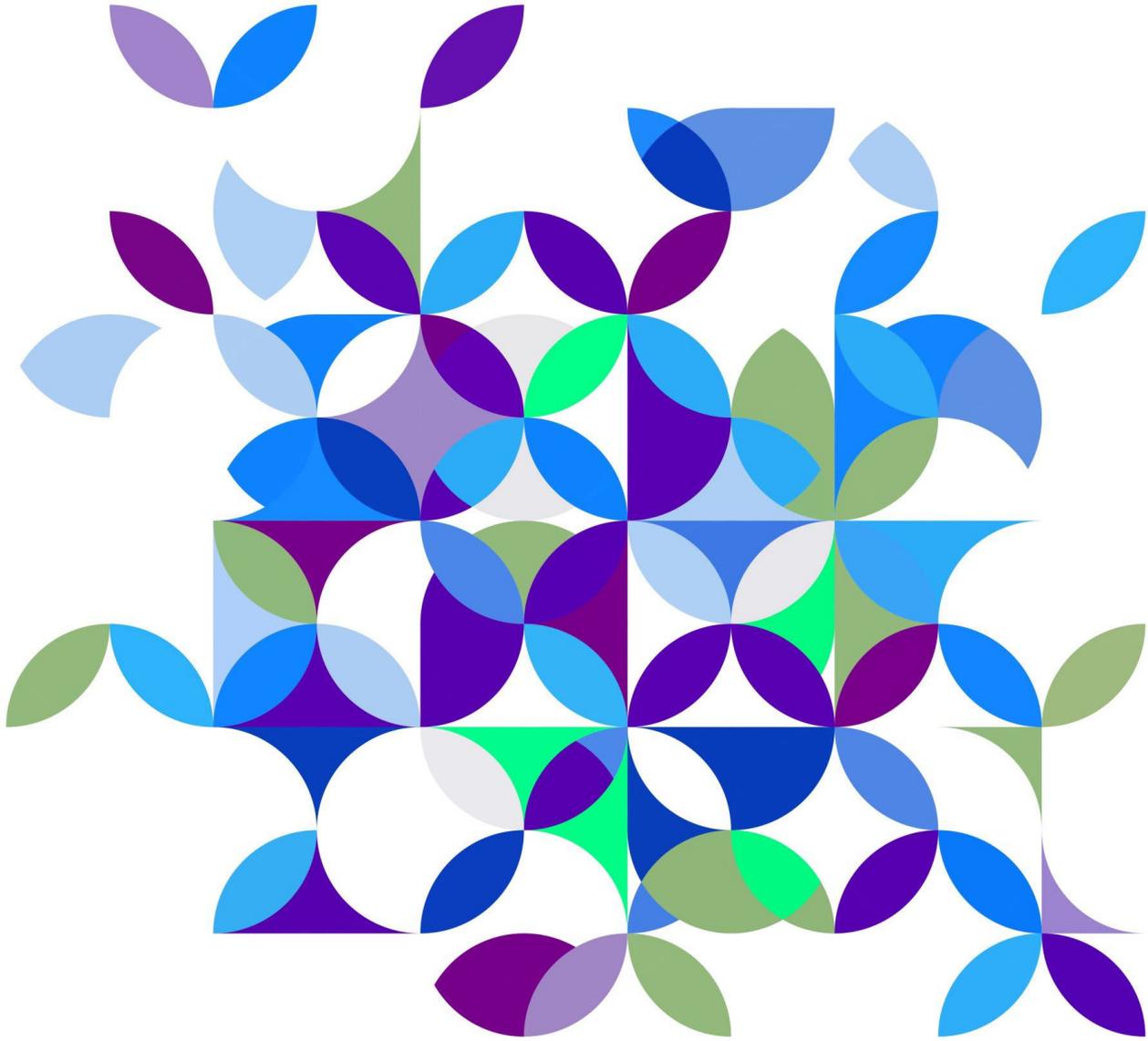
**2. “Big-Name Company”
is going to sign our
purchase order next
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Top 10 Lies Told to Private Equity Firms By Companies

**1. Our projections are
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Questions?