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STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Civil Other

Court File No. 62-CV-14-6991In re the Matter of Community Action of  
Minneapolis, Inc.**AFFIDAVIT OF MICHAEL KNIGHT IN  
SUPPORT OF THE PETITION TO  
APPOINT RECEIVER BY THE  
MINNESOTA DEPARTMENT OF  
HUMAN SERVICES AND THE  
MINNESOTA DEPARTMENT OF  
COMMERCE**

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STATE OF MINNESOTA    )  
                                  ) ss  
COUNTY OF HENNEPIN    )

Michael Knight, being first duly sworn, deposes and states, as follows:

1. I am the President and founder of BGA Management, LLC, a Delaware limited liability company that operates under the business name "Alliance Management" ("Alliance"), and I make this Affidavit of my own personal knowledge in support of the Petition for the Appointment of a Receiver filed in conjunction with this Affidavit. Attached as Exhibit A is a true and correct copy of my biography. I have over twenty-five years of experience serving as a court-appointed receiver.

2. Alliance is a business consulting firm specializing in providing receivership, interim management, turnaround work, management consulting and financial advisory to companies throughout the United States. Alliance has been in business since 1997.

3. Alliance has been providing receivership services and similar interim management services (such as Chief Restructuring Officer, Interim General Manager and Interim

CEO roles) since the firm was founded. Alliance is also experienced in serving as the custodian of distressed businesses and assets, including personal and real property. Alliance's support staff has been trained to provide receivership record keeping and monthly receiver's reports in a prompt and thorough manner.

4. Alliance is capable of managing both operating businesses and has worked with not-for-profit enterprises.

5. Alliance has advised or managed over 300 distressed companies and has, over the last five years, advised or managed an average of 35 businesses per year in venues throughout the United States. Further, Alliance currently has, or recently completed, projects as a receiver, trustee, or interim manager in Minnesota, Colorado, Wisconsin, Indiana, Arkansas, Illinois, California and South Carolina.

6. Alliance has specialized in being a highly-qualified yet cost effective advisor to small and middle-market companies.

7. Alliance has filed written reports and accountings with courts on a regular monthly basis and has prepared final accountings for court review and approval.

8. Alliance is staffed with qualified financial and business management professionals and possesses the experience to perform all of the functions of a receiver required in this case. All of the professionals who will serve on this case have worked on receivership matters in the past.

9. Alliance is committed to managing the project in a cost-effective fashion. Alliance seeks to be paid for the services of its professionals at the following discounted rates:

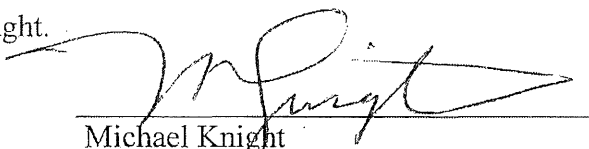
		Standard Rate	Discounted Rate
Associate	Brock Kline, Stephanie Bramer and Justin Pugh	\$295/hour	\$250/hour

Senior Consultant	Dave Burke, Chris Tomas, Alex Smith and Diane Rogers	\$390/hour	\$335/hour
Principal	Michael Knight	\$495/hour	\$335/hour

10. I will be responsible to oversee the receivership work if Alliance is appointed receiver in this case.

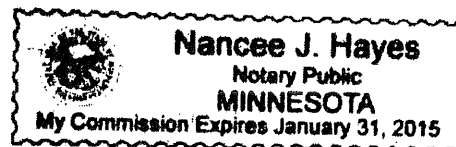
Based upon the facts set forth herein, Michael Knight respectfully requests the Court to appoint Alliance Management as the receiver of Community Action of Minneapolis.

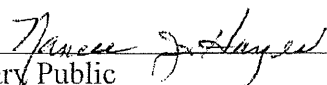
Further, your affiant sayeth naught.

  
Michael Knight

STATE OF MINNESOTA    )  
                                      ) ss.  
COUNTY OF HENNEPIN    )

Signed and sworn to before me this  
21<sup>st</sup> day of October, 2014.



  
Notary Public

**EXHIBIT A**

Michael Knight

***Business Biography***

*Founder & President, Alliance Management*

Michael Knight took on his first receivership and turnaround engagement in 1987, and has over twenty-five years of experience in working with distressed and underperforming enterprises.

Mr. Knight has served as a court-appointed receiver, business consultant, interim manager and CEO of troubled and emerging companies. He has extensive experience in organizational restructuring, developing and implementing comprehensive cost control and efficiency efforts, strategic business planning and complex business transactions.

Mr. Knight is a hands-on manager with experience in non-profits, service businesses, manufacturing, technology, retail, real estate, construction and wholesale distribution. Michael has completed dozens of complex business transactions including business sales, refinancings, acquisitions and liquidations. Michael has received both regional and national awards from the Turnaround Management Association and M&A Advisor magazine for his work in completing complex distressed transactions. A well-known and highly-regarded leader in the turnaround profession, Michael is a frequent speaker CLE speaker on crisis management, distressed M&A and turnaround issues. Mr. Knight has also been a continuing education speaker on interim management and restructuring issues.

Mr. Knight is a graduate of Augustana College (B.A.) and Hamline University School of Law (J.D.) and is a member or past member of the following: Founder and Past-President, Upper Midwest Chapter of the Turnaround Management Association; International Board Member and Executive Committee Member, Turnaround Management Association (a 9,000 member international trade association of professionals who are dedicated to improving the profitability and performance of troubled companies); American Bankruptcy Institute; Bankruptcy and International Business Law Sections, Minnesota State Bar Association; and, the U.S. Court of International Trade.