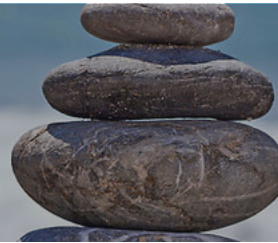




Mezzanine Finance

PRACTICES



OVERVIEW

For lenders and investors providing mezzanine debt and other types of junior capital, we offer legal services with a distinctive blend of deal experience, expertise and practical counsel. Handling over 100 transactions in the past three years, our lawyers routinely represent mezzanine funds, small business investment companies (SBICs), business development companies (BDCs) and other providers of junior capital. We are creative yet pragmatic in structuring deals, closely attuned to the market and our clients' businesses, and fundamentally solution-oriented. Instead of over-complicating transactions, we take a deal driven approach focused on reasonable market terms to achieve the best and most efficient outcome.

We counsel clients on a wide variety of transactions, including unitranche debt; first-out and last-out senior loans; second lien debt; secured and unsecured subordinated debt; preferred, common and strip equity co-investments; and warrant and other equity kickers. We can assist with portfolio company sales and exits, as well as with restructuring and insolvency matters. Headquartered in Raleigh, North Carolina, our law firm handles investments in a diverse range of industries, such as healthcare, energy, financial services, food and beverage services, education, government contracting, social media, communications, software, information technology, distribution, transportation, construction and manufacturing. Because of our extensive work with sophisticated clients and complex deals across the nation, we maintain an updated perspective of market terms for mezzanine transactions, including debt and equity co-investment structures and subordination and intercreditor terms.

Our Mezzanine Finance practice is supported by attorneys with deep experience in private equity deals, senior secured lending, and mergers and acquisitions. Backed by the strength of a full-service business and litigation law firm, we specialize in integrated deal management with lawyers in our Mergers and Acquisitions, Tax, Employment, Labor and Human Resources, Debt Finance and Restructuring, Insolvency and Creditors' Rights practices, plus others as needed, for each transaction. We provide thoughtfully tailored counsel, with heavy involvement and oversight by senior lawyers, while offering you significant value. Priding ourselves on the trust and confidence we build with clients, we are fortunate to enjoy relationships that span decades.

SERVICES

- Unitranche debt
- Last-out senior loans
- Second lien debt
- Secured and unsecured subordinated debt
- Equity co-investments
- Warrants and other equity kickers
- Portfolio company sales and exits

- Restructuring and insolvency

EXPERIENCE

- BDC and certain SBIC co-investors in a \$37 million secured mezzanine financing and \$5 million common and preferred equity co-investment to fund the acquisition of the nation's leading provider of sustainable, environmentally and ethically responsible sweeteners
- SBICs in a \$13 million secured mezzanine financing and \$1.3 million equity co-investment to fund the acquisition of digital media manufacturing company
- Private mezzanine fund in a \$7.5 million multi-class structured equity investment to refinance existing equity and debt and provide growth capital to a waste management and recycling group of companies
- BDC and SBIC in a \$25 million unsecured mezzanine financing and \$1.2 million equity co-investment to refinance existing debt and fund add on acquisition for food management services group
- SBIC and BDC in a refinance of their secured mezzanine position and partial sale/partial rollover of significant minority equity investment in a change of control transaction of leading manufacturer of sewing, sealing, hot air, gluing and bag handling systems
- BDC in a \$15 million secured mezzanine financing and \$1 million equity co-investment to refinance existing debt for energy management company
- Private mezzanine fund in restructuring of \$14.5 million unsecured mezzanine financing with warrants and equity co-investment to leading electrical systems integrator and custom metal enclosure designer and manufacturer
- SBIC in a \$10 million mezzanine financing and \$1.4 million equity co-investment to fund the acquisition of a provider of housing and equipment rental services to the oil and gas drilling industry

PROFESSIONALS

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RELATED AREAS

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