



REID AND RIEGE, P.C.
COUNSELLORS AT LAW

Business Finance

Every business needs capital to survive and grow. Our Business Law attorneys are experienced in advising and representing clients in a wide range of routine and complex financing transactions, including: commercial loans; senior, mezzanine and subordinated loans; debt and equity securities offerings; recapitalizations; leveraged buyouts; debt restructurings for troubled companies; and other acquisition financings.

We have sat on “both sides of the table,” representing our business clients, and their owners as borrowers, on the one hand, and representing banks, mezzanine lenders and private equity firms that provide financing to other businesses, on the other. Therefore, we understand the complex legal issues involved in financing transactions from multiple perspectives. We believe this enables us to structure, negotiate and close such transactions for our clients efficiently. Our participation in countless financing transactions over the years has also given us numerous contacts with potential financing sources for our business clients.

Commercial and Transaction Finance

Commercial finance generally involves the making of a loan, providing for a line of credit, or providing other similar financial accommodations to finance a business. Transaction finance involves obtaining or providing this financing in connection with business acquisitions, recapitalizations and similar transactions.

We represent both borrowers and financial institutions in a broad range of commercial and transition financing matters, including: secured and unsecured lines of credit; acquisition financing for corporate acquisitions; equipment financing; real estate acquisition and development financing; term loans (including so-called “Tranche B” facilities); asset based loans; letter of credit issuances; and HUD and CDA guaranteed loans.

Members of our Business Finance Group have served on the Uniform Commercial Code Article 9 Revision Study Commission and as members of the Association of Commercial Finance Attorneys and Turnaround Management Association.

As a result of our representation of middle market business entities and



Attorneys

- Katilee M. Boisvert
- Brittany L. Christensen
- Louis J. Donofrio
- Kevin G. Ferrigno
- Thomas R. Kasper
- Earl F. McMahon
- Robert M. Mulé
- Cathryn A. Reynolds
- Mark X. Ryan
- Craig L. Sylvester

Business Finance continued

their owners, we have extensive experience in health care, manufacturing, distribution, printing, retail, real estate and a number of service industries in the market we serve. We are familiar with “market” practices and can offer practical advice and solutions for our clients in connection with the financing of their businesses.

We advise our clients from the earliest stages of the process, from before the commitment letter has been issued through the closing and funding of the transaction. We negotiate the loan documents and coordinate all lender requirements. When representing business borrowers, we help interpret the “legalese” in loan documents and provide insight into current market trends.

We also represent financial institutions, ranging from national banking associations and state chartered banks to privately held mezzanine funds, in transactions ranging from smaller, single lender loans to larger, syndicated financings. When representing these institutions, we work with the financing officers throughout the negotiation and documentation process to close the transactions efficiently and on terms consistent with the credit approval or applicable letter of intent.

Whether we represent the financed business or the financing source, when issues within specialized areas of law arise, such as environmental, tax, employee benefits, pension or creditors’ rights issues, we are able to call upon the judgment and experience of other Reid and Riege attorneys who routinely practice in those particular areas.

Private Equity and Mezzanine Financing

Private equity and mezzanine capital now play a critical role in the transactional marketplace. Moreover, private equity and mezzanine funds have emerged as an attractive asset class for many investors. As a result of this market shift, Reid and Riege has made middle market private equity and mezzanine financing a special focus of our firm’s Business Finance practice.

Our Business Law attorneys have experience in meeting the needs of middle market private equity and mezzanine firms in the formation and operation of their funds, and in the acquisition and disposition of their investments. We have represented these firms in a wide range of transactional activities, including mergers and acquisitions, raising capital, portfolio company investments, disposition transactions,

Business Finance continued

structuring debt, mezzanine and equity financings, and regulatory compliance and tax planning for the funds and their portfolio companies. These activities have also included advising, documenting and closing transactions involving direct equity investments, debt (bank, high yield and mezzanine) finance, dispositions, sale-leasebacks, restructurings, co-investments, recapitalizations and joint ventures.

We are often called upon to render advice regarding fund management issues, tax implications of various structures and administration issues, securities regulatory issues affecting private equity funds and management compensation issues. With broad experience in complex financing transactions and corporate business support, we bring together an interdisciplinary team to the representation of private equity firms and mezzanine lenders.

Our Business Law attorneys have also advised private equity and mezzanine funds and their principals in an array of business issues related to fund formation and operation, including conflicts of interests, estate planning, retention and recruitment of investment professionals, generational succession planning and dissolution. We use this experience in drafting a fund's initial documents, as well as when advising its general partners and principals throughout the life cycle of the fund.

Our attorneys has extensive experience representing private equity investors in the purchase and sale of private equity portfolios in the secondary marketplace. Our experience in securities, tax and ERISA law and our ability to organize and complete complex transactions enable us to conclude transactions successfully for our clients.

Venture Capital

Reid and Riege's attorneys have extensive experience representing venture-backed companies in a variety of industries. Our attorneys understand the venture capital process and the documentation involved in venture capital financings. We are familiar with the standards by which venture capitalists analyze businesses, the types of securities typically used in these transactions, and the complications of multiple investor groups and different classes and layers of securities. Because we know the landscape and understand the process, we are able to advise our clients and represent their interests as they raise capital during the growth cycles of their businesses.

Business Finance continued

Private Placements and Securities Compliance

Members of the Business Finance Group also represent issuers, investors, underwriters and placement agents throughout the region in connection with privately placed debt and equity securities. Securities issued in these transactions include limited liability company interests, limited partnership interests, bonds, secured and unsecured notes, preferred stock and stock purchase warrants, and have been issued by a variety of entities employing diverse financing arrangements.

We assist in structuring the terms of the securities being offered and prepare private placement memoranda. We also advise on the disclosure requirements and liabilities imposed by the applicable securities laws, structuring transactions to meet appropriate exemptions from both federal and state securities registration requirements, preparing subscription documents and questionnaires for investors and making appropriate filings with the applicable securities regulatory authorities.

When representing investors, we review offering materials and negotiate the terms of the investment, including provisions relating to the conversion terms of convertible securities, the exercise terms of warrants and options, registration rights agreements and ultimately, the terms of puts, calls and other liquidity events.

We advise clients on a variety of state "blue sky" securities law matters, handling both regulatory and transactional matters involving the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940 and the Investment Advisers Act of 1939. We also advise companies and executive officers on the securities law implications of employee benefit plans, including the short-swing profit rules. We also counsel broker-dealer and investment advisor clients on the regulatory requirements applicable to their regulated activities.

Equipment Financing

Members of the Business Finance Group regularly represent manufacturers and distributors in connection with their special financing requirements. For manufacturers, these arrangements often include project financings, equipment lines of credit, layering supplier financing into existing commercial finance facilities and sale-lease back transactions. For distributors, we assist floor-plan financing and structuring of supplier financing to mesh with primary bank financing.