



GRAY REED®

PRIVATE EQUITY

Gray Reed's deep bench of experienced private equity attorneys regularly represents private equity funds, venture capital funds, portfolio companies in which they invest, public and privately held companies and other sponsors, investors, founders and management teams in all types of private equity transactions. We handle transactions of all sizes from angel rounds of convertible debt and equity investments to transactions involving up to \$3.5 billion in assets or equity being purchased or sold or from holding company partnerships being formed between operating companies or management teams, on the one hand, and one or a consortium of private equity funds, on the other hand. We assist clients with every aspect of domestic and cross-border private equity transactions, including:

- Majority and minority equity investments
- Partial and total liquidity events, including founder and management equity rollovers, accomplished through private equity fund or strategic buyers, IPOs, SPACs, redemptions or management-led buyouts
- Private offering memoranda and related subscription documents
- Complex partnership holding company formation and finance among one or a consortium of private equity funds, on the one hand, and founders and/or a management team, on the other hand, including:
 - Creation of carried interests and multiple equity classes with preferred return structures, complex distribution mechanics and tiered vesting
 - Employee co-investment and profits interest opportunities for management and founders
 - Capital call funding mechanics over time or in one-time investments
 - Governance structures that balance the concerns of management and private equity funds
 - Creative liquidity event structures through drag-along rights, tag-along rights, IPOs, SPACs, recapitalizations, rights of first refusal or first purchase, roll-ups and redemptions
- Debt financings, including bridge financings, convertible debt and asset-backed senior, subordinated and mezzanine debt facilities

- Bolt-on strategic acquisitions, dispositions, consolidations and roll-ups
- Private equity fund, venture capital fund and other sponsored debt financings and equity investments
- Private equity fund formation
- Joint ventures
- Debt financings, including bridge financings, convertible debt and asset-backed senior, subordinated and mezzanine debt facilities
- Recapitalizations

PRIVATE EQUITY FUND EXPERIENCE

Our team has considerable experience in private equity fund formation, including the preparation of private offering documents and fund partnership and limited liability company agreements, and the establishment of carried interest and employee profits interest structures. After formation, we represent private equity funds in connection with conducting due diligence and negotiating investments in portfolio companies through the negotiation of letters of intent and term sheets and the formation of holding company partnerships or limited liability companies with multiple equity classes involving complex preferred return and distribution structures, profits interests with tiered vesting, governance rights that balance the interests of management and private equity fund investors and creative liquidity event structures.

We represent portfolio companies as they grow through bolt-on acquisitions and dispositions, debt financings and recapitalizations. We represent private equity funds and management teams in partial and complete liquidity events including through private equity fund or strategic buyers, IPOs, SPACs, recapitalizations, redemptions, management-led buyouts and roll-ups. The depth of our experience representing private equity funds, founders and management teams in their capacity as buyers, sellers, investors, lenders and issuers enables us to provide our clients with sophisticated market knowledge and to understand the parties' perspectives on key negotiating points.



RECOGNITION

Our private equity partners, as well as our private equity deals, are routinely recognized by regional and national ranking and award programs. Below are some highlights that we are proud to share.

- The M&A and healthcare practices, and three healthcare-focused M&A/private equity partners are recognized in the *Chambers USA 2021* legal directory.
- Eight M&A/private equity partners were recognized by *Best Lawyers in America* in 2022.
- Seven M&A/private equity partners are selected as 2021 Rising Stars or 2021 Super Lawyers by *Texas Super Lawyers* (a Thomson Reuters publication).
- Six M&A/private equity partners were named 2021 Top Lawyers by *Houstonia Magazine*.
- Five M&A/private equity partners were selected as a 2021 Best Lawyer in Dallas by *D Magazine*.
- Two Gray Reed deals were chosen as finalists for The Association for Corporate Growth Houston's 2020 M&A Deal of the Year Awards - Oil & Gas Deal of the Year (less than \$500MM) and Technology & Business Deal of the Year.
- The M&A Advisor recognized Gray Reed at its 11th Annual International M&A Awards for our work representing RadiaDyne in its acquisition into AngioDynamics by awarding the transaction "Healthcare/Life Sciences Deal of the Year (Under \$100MM)".
- The M&A Advisor recognized our work representing Patriot Erectors in its majority capitalization by Hillstar Capital and Ranch Creek Partners by naming the transaction the "M&A Deal of the Year (\$25MM - \$50MM)".
- Four Gray Reed M&A/private equity partners are Board Certified in Oil, Gas and Mineral Law, three are Board Certified in Health Law and two are Board Certified in Commercial Real Estate Law by the Texas Board of Legal Specialization.

ACCESS TO RESOURCES AND GENERAL COUNSEL CAPABILITIES

We staff our deal teams leanly with experienced attorneys who work closely with clients and their professional advisers in a manner intended to be practical and cost-efficient. We are able to complement our deal team by making available a broad array of services from our experienced teams of tax, capital markets, private equity, oil & gas, antitrust, real estate, labor & employment, environmental, banking & finance, employee benefits & executive compensation, intellectual property and litigation attorneys.

In addition to the wealth of knowledge within our firm, we have a worldwide network of lawyers for international and cross-border issues when a client transacts business or acquires or disposes of assets in foreign countries. These resources allow us to serve as outside general counsel for our clients and help solve nearly any issue they may face in the life cycle of their business.

WHY CLIENTS FEEL AT HOME AT GRAY REED

Your experience with our transactional attorneys will be fully aligned with your goals and objectives and tailored specifically to how you want to do business with us. Our lawyers are adaptable and nimble – you will never be forced into a box that doesn't fit your opportunity or problem, or your needs and desires. Helping you through every stage of your business, from formation through restructuring, you'll be comfortable with our skill and practical approach. We know exactly when to turn up the heat and when collaboration is the smartest way for you to achieve your goals.

M&A INSIGHTS NEWSLETTER

M&A Insights is Gray Reed's quarterly online newsletter providing perspective on what we consider to be the most significant mergers and acquisitions and corporate governance activity happening across the country. To view the current edition, archived articles or to subscribe, visit insights.grayreed.com.