



## Practices & Industries

# Private Equity & Venture Capital

## Overview

Day Pitney's attorneys have significant experience representing private equity and venture capital funds in several capacities. In addition to our involvement in forming venture capital funds, leveraged buyout funds, real estate funds and many different kinds of hedge funds, the firm's attorneys have also represented institutional investors, individual investors, venture capital funds and family offices in connection with their strategic investment transactions. We have experience establishing U.S. business operations and business partnerships as well as company asset sales, acquisitions, and financings, including debt and equity investments in portfolio companies and advice in connection with portfolio company initial public offerings and related stock sales.

The attorneys in the Private Equity and Venture Capital practice serve as one-stop for all your legal needs for both domestic and international private investment funds.

We assist our institutional venture finance clients in deploying capital in a wide range of industries, transaction structures and transaction objectives. Our venture finance clients have a diverse array of investment approaches, from "stand-alone" preferred equity investments to more comprehensive broker-dealer relationships.

We understand "angel" investments and work with our clients to negotiate and execute early-stage transactions in an efficient and thorough manner. Angel investors are a diverse group, from family offices to individuals to strategic industry participants. We combine a rich history of precedential deal negotiation with a strong focus on our clients' particular motivations and objectives. We are comfortable working with many different deal structures, from convertible notes to the various permutations of Series Seed preferred stock financings to more novel transaction structures such as SAFEs, depending on the client's needs.

We also have experience assisting the "venture arms" of large corporate clients in making strategic investments in early-stage companies, with an eye toward solidifying business relationships with the investment target or setting the stage for a future acquisition.

Our services also include representing family offices, with a focus on single family offices (SFO), and their executives and family principals in a wide variety of complex matters; providing tax advice in connection with the creation of new funds; structuring the investment entities, advising on acquisitions, restructuring existing funds, advising on investment activities, providing employment and benefit advice and advising on exit strategies.

## Experience

*No aspect of this advertisement has been approved by the highest court of any state. Prior results do not guarantee a similar outcome.*

- Representation of a venture capital fund with a broker-dealer affiliate in structuring and documenting preferred stock financing in which the fund participated and the broker-dealer earned transaction-based compensation.

- Representation of individual and institutional investors in "angel" investments, with varying transaction structures, in amounts ranging from \$100,000 to more than \$5 million.
- Representation of the venture arm of a publicly traded corporation in an \$800,000 strategic preferred stock financing, with observer and information rights and a right of first refusal to acquire the investment target.
- Representation of a private equity firm in the sale, along with the other institutional co-investors and founding shareholders, of all the stock of a national retail flooring company based in the Southeast to two West Coast private equity firms, through a merger transaction valued in excess of \$400 million.
- Representation of a private equity firm in the purchase and eventual sale to a strategic purchaser of a portfolio of companies that comprises one of the largest wholesale distributors of perimeter access control solutions in the United States, and supplies equipment to authorized dealers from coast to coast.
- Representation of a private equity fund sponsored by offshore investors in connection with the acquisition, and later sale, of a controlling preferred stock investment in a leading manufacturer of private-label home accessories to an India-based strategic purchaser.
- Representation of two private equity independent sponsors in the purchase and related financing of a Midwest-based business that designs and manufactures heavy-duty industrial abrasive recycling machines and dust collectors.
- Representation of a private equity investor in its acquisition of preferred stock of a natural foods snack company based in the Northeast.
- Representation of an investment vehicle controlled by a prominent early-stage investor in high-growth financial services companies in a \$5 million investment in Series A preferred stock of a consumer-facing financial technology company. In connection with the investment, the investor was appointed as an independent member of the board of directors of the investment target and, in addition to the preferred stock investment, received equity incentive compensation in connection with his board service.