



Bennett Jones

Private Equity & Investment Funds

Bennett Jones has been recognized as a leading private equity law firm representing Canadian and U.S. investment funds, financial sponsors and their portfolio companies in all areas of their business, with a principal focus on mergers and acquisitions, public and private treasury investments and the formation of private investment funds. The firm's strengths in private equity spans a number of industries—including natural resources, industrial services, food and beverage, hospitality, consumer products, energy services, technology and transportation—providing us with familiarity with particular regulatory regimes, industry dynamics and capital structures.

How We Help Private Equity Clients

Transactional Experience

From our roots as Canada's premiere national law firm in the oil and gas industry and energy infrastructure space, Bennett Jones has grown into a go-to law firm for many of the most sophisticated private equity firms in Canada and the United States. Our understanding of the broader macroeconomic setting allows us to provide particular expertise and value to private M&A transactions and investments that are taking place anywhere inside or outside of Canada. The goal—to assist our clients in sourcing, evaluating and negotiating transactions in a timely and a tax-efficient manner, with a special view to the importance of the nuances and needs of the investment management business. The Bennett Jones private equity practice is a collaborative effort that draws upon the firm's strengths in mergers and acquisitions, capital markets, domestic and cross border tax structuring, antitrust/competition, finance, employment, real estate, environmental, privacy/data compliance and intellectual property experience. Bennett Jones has comprehensive experience in every aspect of transactional work for private equity clients, including:

- Private mergers and acquisitions, beginning with strategic advice on competitive bid processes, cross-border structuring and execution;
- Going private transactions and private investments in public companies (PIPEs);
- Leveraged buy-outs (LBOs) and management buy-outs (MBOs);
- Recapitalizations and restructurings, both in and outside of a formal court process;
- Acquisitions from bankruptcy and distressed investments;
- Carve-out transactions;
- Investment fund consortium arrangements; and
- Real time transaction support comprised of top tier commercial litigators, a best-in-class governmental affairs group and a responsive shareholder activism/critical situations team.

Fund Formation

Fund formation and investment management is a cornerstone practice group at Bennett Jones. Our representation of financial sponsors as well as institutional investors, pension plans, endowments and family offices offers us insight into market trends and enables us to regularly advise on the formation and structuring of private funds, co-investments and related fundraising processes. These mandates typically require us to be involved with the economic structuring of management fees, carried interest payments,



complex distribution waterfalls, and the negotiation of side letters with investors. We regularly provide tax and structuring advice to our offshore fund clients in connection with the establishment of parallel and feeder funds organized as Canadian investment vehicles. We also advise U.S. and offshore investment managers in connection with fundraising efforts in Canada. Our fund formation practice highlights:

- Substantial corporate and tax experience structuring closed-ended investment funds and underlying investments for asset managers in private equity, real estate and infrastructure;
- Substantial experience working with open-ended private funds; the establishment of hedge fund platforms and a thorough understanding of absolute return strategies;
- Routinely advise in connection with the structuring and negotiating of co-investment and alternative investment vehicles;
- Experience with issues relating to U.S. investors and investments into the U.S. by Canadian investment vehicles (FATCA, FIRPTA, Section 892 of the Internal Revenue Code in connection with tax-exempt investors, UBTI, CFC structuring and other matters relating to the creation of “blockers”) and U.S. and offshore funds investing into Canada,
- Matters relating to registration of investment funds (and fund managers) in Canada and related ongoing compliance; and
- A thorough understanding of the special issues applicable to an important part of our client base: government and pension fund investors.

Acquisition Financing

Bennett Jones routinely advises on the domestic and cross-border loan facilities and other forms of leveraged finance. In the private equity realm, our broad experience and expertise in this area ranges from large, syndicated cash-flow senior debt financings arranged by both domestic and foreign banks to mid-market asset-based and senior and mezzanine commercial loan transactions. Our team has been primary counsel acting for financial sponsors and borrowers on a number of leveraged acquisitions in the Canadian market.

Preparation For Exit

Private equity always moves forward and Bennett Jones is called upon to assist investment funds in the last step of the investment cycle—the exit. Anticipating the exit, and the importance of cash-on-cash returns to financial sponsors, plays a critical role in the negotiation and execution of the original investment itself. Understanding the importance of a clean exit must be contemplated when structuring shareholder arrangements, incentive plans and subsequent liquidity rights (i.e., registration rights). Bennett Jones brings that knowledge and approach to bear, commencing at the term sheet level of an initial investment. We have helped domestic, U.S. and international investment funds on numerous exits, including through:

- Initial Public Offerings (IPOs) on a Canadian, U.S. or international stock exchange;
- Reverse Takeovers (RTOs) and Qualifying Transactions on the TSX, TSX-Venture or other Canadian exchanges;
- Asset and or share sales pursuant to an M&A process or strategic acquisition; and
- Secondary Transactions.

Select Experience

- **Private Equity**
 - **Stone Canyon Industries Holdings LLC (SCIH) and Kissner Group Holdings** in their agreement to acquire K+S Aktiengesellschaft's North and South American salt business, including Morton Salt and Windsor Salt, for US\$3.2 billion.



- **True Wind Capital**, and its portfolio company, Transflo, in Transflo's acquisition of Microdea, a document management software company in the transportation and logistics sector.
- **Riverstone Holdings LLC**, through its subsidiary **Riverstone Pipestone LP**, in its investment in the \$67.9-million private placement of convertible preferred shares of Pipestone Energy Corp.
- **Kissner Group Holdings LP**, and its owners Metalmark Capital Holdings LLC and Silvertree-KMC II LP, in the sale of Kissner Milling Company to Stone Canyon Industries Holdings LLC for US\$2 billion.
- **Lineage Logistics**, owned by **Bay Grove Capital**, in its acquisition of cold storage company Ontario Refrigerated Services, Inc.
- **CIP Capital Management LLP**, as Canadian counsel, in its acquisition of People 2.0, Inc.
- **Kensington Private Equity Fund**, on its acquisition of Centric Health Corp's surgical and medical centres business.
- **Apollo Global Management**, on its sale of CSV Midstream Solutions to Northleaf Capital Partners and in connection with its investment in Jupiter Resources.
- **Third Eye Capital**, in connection with private credit investments, including for **Pieridae Energy**.
- **Metalmark Capital** and its portfolio companies, including Kissner Group Holdings LP and PTW Energy Services, in connection with investments, financings and acquisitions, including the acquisition by Kissner Group Holdings LP of NSC Minerals Ltd.
- **Morgan Stanley Energy Partners**, in its investment in Specialized Desanders Inc., a leading oilfield equipment company.
- **Catalyst Capital**, with the merger of its portfolio company GTWY Holdings Limited with Leisure Acquisition Corp., a special purpose acquisition company.
- The purchaser in its acquisition of 100% of the ownership of **Nieuport Aviation Infrastructure Partners GP**, the entity that owns and operates the passenger terminal at Billy Bishop Airport.
- **CVC Capital Partners**, with two cross-border transactions.
- **Tailwind Capital** and its portfolio company **Diversified U.S.**, in its acquisition of the business of Advanced Presentation Products.
- **TriWest Capital Partners**, in connection with multiple platform investments and follow-on acquisitions by its portfolio companies.
- **Clear North Capital** and its affiliate, 1908 LP, in the acquisition of the business of POI Business Interiors Inc., in partnership with senior management of the business.
- **Longview Aviation Capital Corp.**, a portfolio company of a Canadian family office, in its acquisition of the Dash 8 program from Bombardier Inc.
- **Anamered Investments Inc.**, an investment of a large Canadian family office, in the formation of an investor consortium and acquisition of Amer Sports Corporation.
- Ongoing representations of various private investment funds including **CIP Capital Management LLP**, **Odyssey Investment Partners**, **Tenex Capital Management**, **Abacus Capital**, **Catalyst Capital**, **Canso Investment Counsel**, **TriWest Capital Partners**, **OMERS Ventures**, **Kingsett Capital**, **Encap Investments**, **Riverstone Holdings LLC**, **Kohlberg Kravis Roberts & Co.**, **Natural Gas Partners**, **Apollo Global Management**, **Metalmark Capital**, **Denham Capital**, **Pearl Energy Investments** and **Solus Capital** in connection with various transactions and related matters.
- **Fund Formation**
 - **Alberta Teachers' Retirement Fund**, in connection with various investments private real estate and private equity funds including **Prospect Ridge U.S. Real Estate Fund III**, a real estate investment fund managed by **Prospect Ridge Advisors, LLC** with a focus in U.S. real estate, real estate



debt and equity securities and real estate related assets.

- **RCM Capital**, in connection with structuring a co-investment vehicle to acquire a C\$130-million participating interest in a third-party investment portfolio.
- **A Canadian pension fund**, in connection with the formation of a targeted US\$3-billion managed account platform managed by Innocap and the onboarding of various hedge funds and investment managers.
- **Morgan Stanley Energy Partners**, in connection with the establishment of Alberta, Canada-based master funds, **North Haven Real Estate Fund X Global-T, L.P.**, a pooled investment fund initially established in 2016 in Alberta, Canada, which, along with certain parallel funds, was established to make investments in real estate globally.
- **Hellman & Friedman**, in connection with the formation and maintenance of various feeder funds and other special purpose vehicles organized in Canada.
- **Bay Grove Capital**, in connection with a \$1.6B fundraising from a number of U.S. and Canadian institutional investors.

Recent Recognitions

- **Chambers Canada**
Ranked, Private Equity: Buyouts
- **Chambers Global: The World's Leading Lawyers for Business**
Ranked, Corporate/M&A
Ranked, Banking & Finance
- **The Legal 500 Canada**
Ranked, Corporate and M&A
Ranked, Banking & Finance
- **The Canadian Legal Lexpert Directory**
Most frequently recommended, Corporate Commercial Law, Calgary
Consistently recommended, Corporate Commercial Law, Toronto
Consistently recommended Banking & Financial Institutions, Calgary
Repeatedly recommended, Banking & Financial Institutions, Toronto

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