# *Middle Market Update*

## Q2 2020

BRYANT PARK
CAPITAL

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# Bryant Park Capital

## Second Quarter Economic Performance and Future Outlook

### Federal Reserve Perspective

- The coronavirus outbreak is causing tremendous human and economic hardship in the U.S. and around the world; in response, the Federal Reserve committed to using its full range of tools to support the U.S. economy, thereby promoting its maximum employment and price stability goals[1]
  - The FOMC elected to maintain the target federal funds rate range of 0.00% to 0.25% and expects this range to remain unchanged for the foreseeable future, until it is confident that the economy has weathered recent events
  - To support the flow of credit to households and businesses, the Fed will increase its holdings of Treasuries and agency RMBS and CMBS to sustain smooth market functioning, thereby fostering a more effective transmission of monetary policy
- As a result of the stress tests conducted by the Federal Reserve Board, 34 of the largest banks will be required to preserve capital by suspending share repurchases, capping dividend payments, and allowing dividends according to a formula based on recent income[1]

### Employment

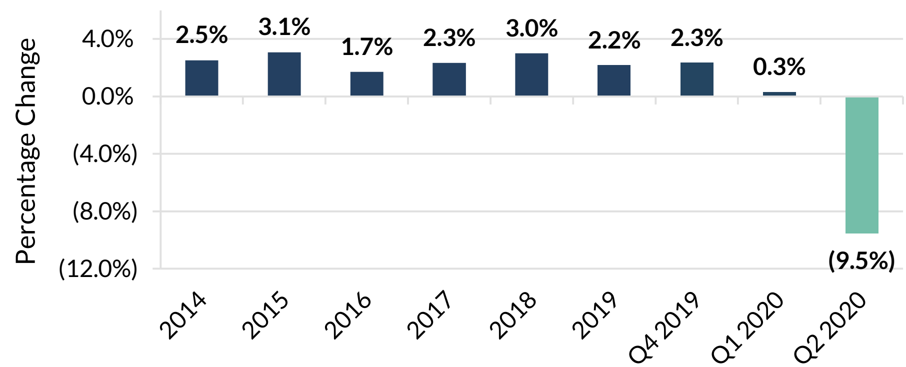
- The U.S. unemployment rate increased to 11.1% at the end of Q2 2020, as compared to 4.4% at the end of Q1 2020, with the number of unemployed persons at 17.8M[2]
  - The July unemployment rate was 10.2%., down from a peak of 14.7% in April
- The number of unemployed persons who were on temporary layoff decreased from a high of 18.1 million in April to 10.6 million in June, as a result of the phased business reopenings across the country[2]
  - In June, 31.3% of employed people, or 44.6 million workers, worked remotely specifically because of the pandemic; this does not include those whose telework was unrelated to or predated the pandemic
- The CARES Act's $600 weekly federal unemployment benefit, which ended on July 31st, resulted in 68% of unemployed people in the U.S. being eligible for benefits that exceed what they had been earning, with a median replacement rate of 134% of lost earnings[3]

### U.S. Treasury Securities

- The 10-year U.S. Treasury Note yield fell from an average of 1.37% in Q1 2020 to an average of 0.69% in Q2 2020[4,5]

| | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 |
|---|---|---|---|---|
| 5-year Treasury Note | 1.63% | 1.61% | 1.14% | 0.36% |
| 10-year Treasury Note | 1.80% | 1.79% | 1.37% | 0.69% |
| 30-year Treasury Note | 2.29% | 2.25% | 1.87% | 1.38% |
| 10-year Treasury (Inflation Protected) | 0.16% | 0.15% | -0.06% | -0.48% |

### Real Gross Domestic Product (GDP) YoY Growth




*Source: U.S. Bureau of Economic Analysis*

### Outlook for 2020

- Business Roundtable's CEO Economic Outlook Survey, a composite index of CEO plans for capital spending and hiring and expectations for sales over the next six months, had an index reading of 34.3 in Q2 2020, down 38.4 points from Q1 2020 and the lowest reading since Q2 2009[6]
  - 73% of CEOs surveyed expect their businesses to recover to pre-COVID levels by the end of 2021
  - 95% of CEOs have expanded flexible work arrangements and 100% have adopted or plan to adopt physical distancing measures at their facilities
- U.S. real Q2 2020 GDP declined at an eye-popping annual rate of 32.9%; real Q2 GDP was $4.31T, down only 7.0% from Q1 GDP of $4.63T[7]
  - The 32.9% figure is misleading in volatile environments; it represents the difference between Q1 2020 GDP and what Q1 2021 GDP would be if GDP were to fall 7.0% quarter-over-quarter for the next three quarters[8]
  - The Congressional Budget Office (CBO) expects the U.S. real GDP to grow by 12.4% during the second half of 2020 and to recover to its pre-COVID level by the middle of 2022[9]
- Federal spending to assist those impacted by the pandemic is projected to increase the federal deficit by $2.2T in fiscal 2020 and by $0.6T in 2021[9]
- The U.S. Consumer Confidence Index decreased in July to 92.6, down from 98.3 in June and 120.0 at the end of Q1 2020 due to the contraction in economic activity and surge in unemployment claims[10]
  - Short-term consumer optimism fell in July, with 31.6% of people expecting conditions to improve over the next six months, down from 42.4% in June
- The world economy will operate at a projected 90% of its capacity until a vaccine removes the need for social distancing and other prevention measures[11]

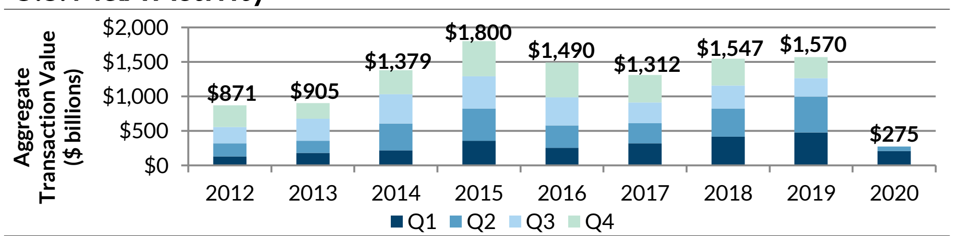


1. *U.S. Federal Reserve*
2. *Bureau of Labor Statistics*
3. *National Bureau of Economic Research*
4. *U.S. Department of Treasury*
5. *Federal Reserve Economic Data*
6. *Business Roundtable*
7. *U.S. Bureau of Economic Analysis*
8. *Oaktree Capital Management, L.P.*
9. *Congressional Budget Office*
10. *The Conference Board*
11. *Bank Lombard Odier & Co.*

## Mergers and Acquisitions

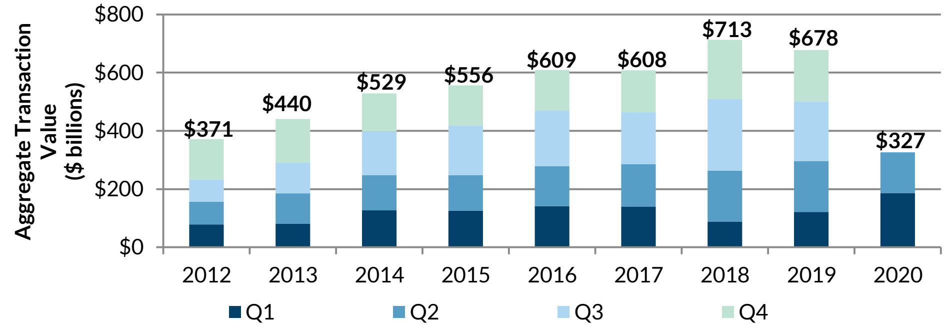
- Global mergers and acquisitions (M&A) activity totaled $308.9B during Q2 2020, a 47.9% decrease in deal value compared to Q1 2020; over the same period, the deal count dropped by 39.0% to 2,630[1]
  - The decline in transaction value from Q1 2020 continued into Q2 2020, driven by global economic uncertainty due to business shutdowns and social distancing measures related to the COVID-19 pandemic
  - The global impact is further evident from the 52.7% decrease ($901.6B) in year-over-year (YoY) deal value from H1 2019 to H1 2020
- U.S. M&A value totaled $66.8B in Q2 2020, representing a 67.8% decrease compared with Q1 2020; U.S. M&A volume fell by 29.6% to 884 transactions over the same period[1]
  - Total deal value in H1 2020 was $274.5B as double-digit declines across all sectors in the U.S. market led to the lowest H1 activity since 2003
  - Despite being the first country impacted by the virus, China's deal market was relatively resilient, with YoY declines of only 7.4% and 20.1% in deal count and deal value, respectively
  - Europe suffered a decrease in M&A transaction value of 30.6%, even with the $35.6B Aon/Willis Tower merger, the largest transaction of the year thus far
- During H1 2020, median North American M&A EV/EBITDA multiples have remained relatively steady and are the highest they have been in over a decade at 10.5x, as compared to 10.2x for H1 2019[2,3]
  - As the pandemic made accurately assessing asset value more difficult, many investors turned to alternative valuation methods to evaluate business prospects and earnings
- Cross-border M&A volume, which accounted for 72.3% of global M&A activity, was $223.4B in Q2 2020, a 35.8% decrease in value compared with Q2 2019[1]
  - There has been a downturn in global cross-border M&A as people all over the world have been required to follow strict social distancing measures that prohibit cross-border in-person meetings or site visits; this has slowed the deal-making process as companies are forced to complete transactions virtually or to postpone their consummation

### U.S. M&A Activity




*Sources: Mergermarket, Refinitiv, FactSet*

### U.S. Private Equity Deal Flow




*Source: PitchBook*

## Private Equity

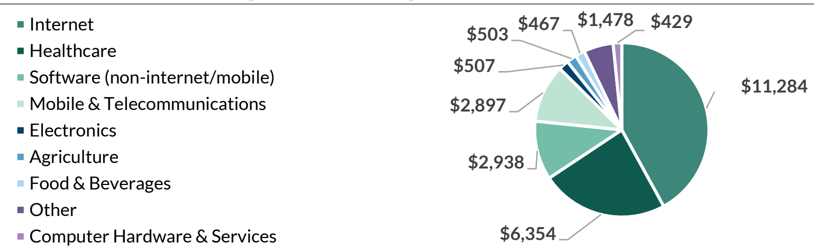
- After U.S. private equity (PE) fundraising decreased slightly to $45.2B in Q1 2020 across 46 funds, fundraising posted healthy figures of $56.5B in Q2 2020 across 55 funds, and 2020 is now on pace with 2018's total capital raised[2]
  - PE funds' ability to raise more funds during Q2 as compared to Q1, despite increased restrictions and uncertainty due to the coronavirus pandemic, signals investors' optimism for economic recovery
  - Mega-funds accounted for nearly half of all fundraising, with a particular focus on the technology sector, and are expected to continue to lead in fundraising volume and value through the rest of 2020
- U.S. PE deal value was $140.3B across 789 transactions in Q2 2020, representing a 24.7% drop in value and a 43.0% decrease in volume compared with Q1 2020[2]
  - In Q2 2020, deal closings were driven by short-term investing and rescue financing for businesses with near-term cash flow needs[2]
  - The majority of PE deals in Q2 2020 were portfolio company add-on acquisitions, which comprised 57.1% of all deals in Q2 2020[2]
  - There was almost $1.7T in PE dry powder globally at the end of Q2 2020, and private debt funds have been proliferating, meaning acquirers likely will continue to seek new investment opportunities[4]
- There has been a large increase in deals being broken by buyers citing the MAC (material adverse change) clause with respect to a target company's business[2]
  - The number of lawsuits citing the MAC clause in the YTD period through April 2020 alone was greater than the previous ten years combined
- For PE-led transactions between $10.0M and $250.0M, the average EV/EBITDA multiple was 7.4x according to the most recent available data, the same as during the previous trailing 12-month period[5]
  - The ample amount of cash available on corporate balance sheets, in PE funds, and from both traditional and non-traditional lenders should buttress purchase price multiples despite the prevailing economic uncertainty, though there may an increase in contingent payments being part of the deal consideration

1. *MergerMarket*
2. *PitchBook*
3. *These multiples reflect prices paid for mainly public companies and do not account for smaller private company transactions that tend to change hands at much lower multiples*
4. *Willis Towers Watson*
5. *GF Data*

## Venture Capital Investing

- In Q2 2020, investments in U.S. venture capital (VC)-backed companies totaled $34.3B across 2,197 transactions, an increase in value of 19.5% and an increase in transaction volume of 55.9%, respectively, as compared with Q2 2019[1]
  - Surprisingly, late-stage VC deals, which are typically more exposed to market volatility, exceeded early-stage deals by volume; such activity in 2020 is expected to outpace 2019, which set the previous record for U.S. late-stage VC financings
  - Q2 2020 recorded 67 mega-deals, a 4.7% increase compared with Q1 2019
- Q2 2020 saw a slowdown in VC exits, with only 147 consummated worth a total of $21.2B; IPOs made up the largest exit strategy in the quarter, supplanting acquisitions as the primary vehicle in Q1 2020[1]
  - 12 of these exits exceeded $500M, extending the growth of that size bucket as a percentage of the total on both a deal count and value basis to 29.3% and 91.4%, respectively
  - There were 16 VC-backed IPOs in Q2 2020; IPO exit activity increased by 60% from Q1 to Q2, but still is likely to drop drastically in 2020 below the 80+ IPO exits seen in both 2018 and 2019
- Corporate VC participation fell from the levels of Q1 2020; 26.0% of U.S. VC transactions completed in H1 2020 had participation from a corporate venture arm[1]
- Median pre-money valuations for foodtech startup VC capital raises in H1 2020 were up more than 140% YoY due to perceived weaknesses in traditional supply chains and accelerated adoption timelines for new technologies[1]
- Global VC investments rose from $61.0B in Q1 2020 across 4,260 transactions to $62.9B in Q2 2020 across 4,502 transactions[2]
  - Given the difficulties surrounding international travel, many VC investors are expected to focus more on opportunities in their local markets, which could have a negative impact on VC investment in countries and territories that rely significantly on international investments

### U.S. VC Deal Value per Industry ($ millions): Q2 2020

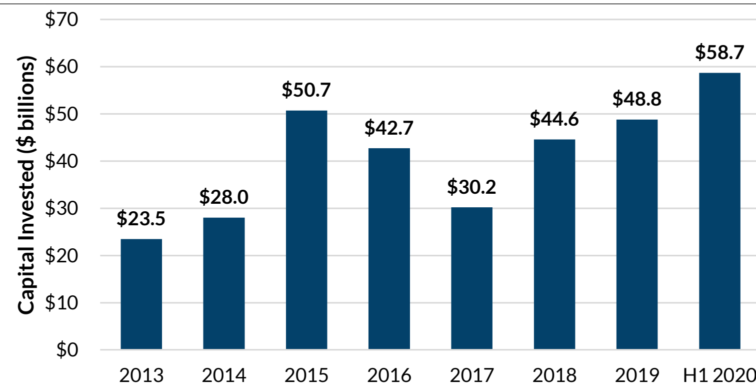



*Source: MoneyTree Report*

## PIPE Investing

- There were 738 U.S. private-investments-in-public-equity (PIPEs) valued at $42.9B in Q2 2020, an increase in volume and value of 44.4% and 70.2%, respectively, as compared with Q2 2019[3]
  - This increase was due to businesses seeking capital-raising alternatives during heightened market volatility (a similar trend observed as a result of the 2008-2009 financial crisis)[4]

### U.S. PIPE Activity




*Source: Placement Tracker*

## Equity Markets and Corporate Earnings

- Equity markets experienced their best quarterly returns in 20 years in Q2 2020 due to aggressive government stimulus and policies, public optimism about a vaccine, and surprisingly resurgent economic data[5]
  - The S&P 500 rose 20.5% during Q2 2020 due to strong performance in the consumer discretionary, information technology, energy, and materials sectors, all of which exceeded the S&P 500 composite return individually by at least 5.5%
  - The sectors with weaker relative performance were utilities, consumer staples, financials, real estate, and health care
  - The ten biggest firms in the S&P 500 accounted for 29.0% of the index of the end of July, the highest percentage in at least 40 years and up from 22.7% at the end of 2019[6]
- Based on results from 63% of companies in the S&P 500 that have reported Q2 2020 corporate earnings, their earnings have exceeded expectations by 21.8%, which is above the five-year average of 4.7%[7]
  - Of the companies that have reported, 84% had a positive EPS surprise
  - Analysts predict YoY quarterly earnings will decline by 22.9% in Q3 2020 and 12.1% in Q4 2020, but grow by 13.4% in Q1 2021

1. *PitchBook*
2. *KPMG*
3. *Placement Tracker*
4. *Mayer Brown*
5. *Baird*
6. *The Wall Street Journal*
7. *FactSet*

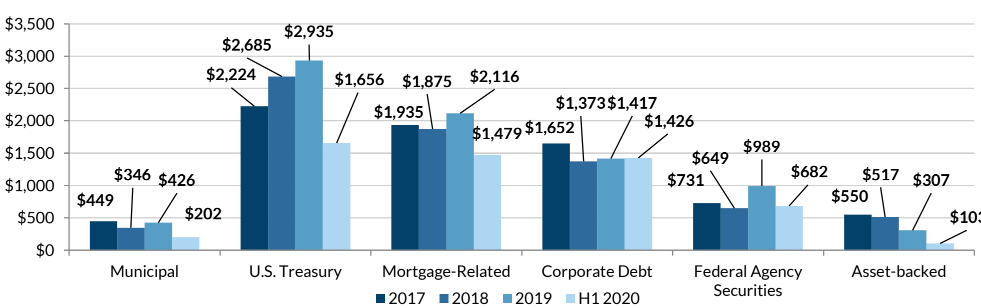
# Bryant Park Capital

## Debt Capital, IPO Market, and Middle-Market Lending

### Debt Capital

- The yield on the Barclays U.S. Aggregate Bond Index was 2.9% at the end of Q2 2020, 0.1% higher than the 2.8% yield at the end of 2019, but 1.3% lower than the 4.2% yield seen at the market bottom on March 20th [1,2]
- The Barclays Investment Grade U.S. Corporate Bond Index recorded a return of 9.4% in Q2 2020, an increase from the -3.6% return in Q1 2020[1]
  - There were over 1,250 investment-grade issuances during H1 2020 for a total value of over $1.2T, 69% and 103% increases from H1 2019, respectively[3]
  - Nearly 75% of these issuances were priced at a discount, with a median yield of 3.1%, and were primarily in the financial, energy, utilities, and mining sectors[3]
  - Investment-grade corporate bonds rebounded as a result of swift support from central banks around the world, careful reopening of the global economy, strong technicals, and an increase in oil prices[1]
  - U.S. corporate bond spreads in comparison to similar-maturity Treasuries rose from under +100 bps at end-of-year 2019 to a high of 370 bps in mid-March, before dropping to +150 bps at the end of Q2 2020[1]
- Total U.S. bond issuances for Q2 2020 were $3,112.6B, a 27.8% increase from the Q1 2020 level of $2,435.0B, and a 58.7% YoY jump from Q2 2019[4]
  - The largest contributor was the issuance of U.S. Treasury securities, with total issuances of $898.3B, representing a YoY increase of 24.2%
  - Issuances of corporate debt, mortgage-related, and federal agency securities increased by 151.7%, 99.1%, and 22.0%, respectively, in Q2 2020
- Total convertible security issuances for Q2 2020 reached a record level of $57.9B, a 299.3% increase from the Q1 2020 level of $14.5B, and a 307.7% YoY increase from Q2 2019[5]
- Guggenheim Investments projects the U.S. speculative-grade default rate to reach 15% during this downturn, which would be higher than during the recessions of 1990, 2002, and 2009[6]

### Issuances in the U.S. Bond Market ($ billions)

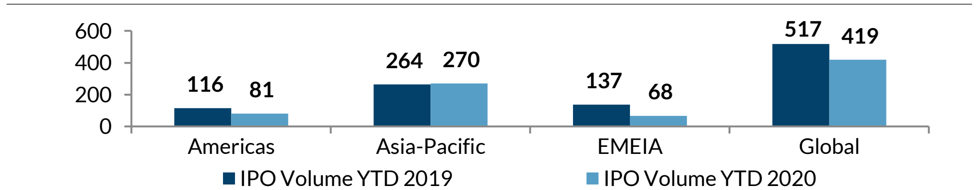



*Source: SIFMA*

### IPO Market

- Q2 2020 saw 186 IPOs globally with proceeds of $41.1B, representing a 39.2% YoY decrease in deal volume and a 32.2% decline in deal proceeds, mostly taking place on Asia-Pacific and U.S. exchanges[5]
  - While COVID-19 significantly hurt IPO activity in H1 2020, activity remained strong across certain sectors, such as technology, industrials, and healthcare
- The U.S. IPO market saw 40 IPOs raising a total of $15.1B in Q2 2020; the number of IPOs dropped by 38% compared to Q2 2019, while the total capital raised was 45% lower[5]
  - Despite risk aversion and volatility due to COVID-19, there was a strong rebound in IPO activity in June 2020, which is expected to continue into the second half of the year
  - IPO activity is subject to ongoing uncertainties, including the U.S. election, Brexit, U.S. and China trade disputes, and a possible second wave of COVID
  - While prior election years have shown IPO activity to peak during the first half of the year, the recent market volatility could indicate that issuances will jump in H2 2020
- Blank-check companies (SPACs) raised $19 billion across 50 offerings in H1 2020, with an average size of nearly $380 million, as compared to $13.6 billion across 59 offerings in all of 2019 and only $1.4 billion in 10 listings back in 2013[7]
  - Virgin Galactic, DraftKings, and Nikola are among the notable companies that opted to merge into SPACs

### IPO Market Activity by Volume YTD through June




*Source: EY Global IPO Trends*

### Lending Market

- Issuances of middle-market loans were initially halted due to the COVID-19 pandemic; however, conditions improved in Q2 2020 following the implementation of government stimulus[8]
  - Yields increased, covenants were tightened, and overall leverage levels declined, as new credit issuances picked up in May 2020 in favor of lenders
  - Strong access to liquidity became key as borrowers with low-to-no revenues drew down heavily on existing revolvers in order to build cash cushions
  - The S&P/LSTA Leveraged Loan Index's default rate crossed above its historic average of 2.85% for the first time in more than five years, rising to 3.23%



1. *Prudential*
2. *Bloomberg*
3. *PwC*
4. *SIFMA*
5. *Ernst & Young*
6. *Guggenheim Investments*
7. *SPAC Research*
8. *S&P Global Market Intelligence*

From our morning commute, to the way we structure and conduct meetings, many of our working practices are guided by routine behaviors. Occasionally, these working practices are modified and new behaviors are established. When these new behaviors are repeated in a consistent context, new working practices can be formed.

**DISRUPTING ESTABLISHED WORKING PRACTICES**

What is unique about the situation that has emerged as a result of COVID-19 is that working practices in millions of businesses around the world have been disrupted, more or less overnight, by an external shock. And direct disruption of these routines, or the cues that "trigger" them, can be one of the most powerful ways of changing deeply ingrained behaviors which might otherwise continue to operate on auto-pilot.

One example of the power of this kind of external shock occurred in London in 2014, when London tube drivers went on strike, forcing millions of commuters to change their method of transport. Some found that they could get a bus instead of their usual underground train; some people walked or cycled; and others worked from home. After the strike had finished and commuters could once again use the underground, researchers found that around 5% of these commuters never returned to their original routes. A minority of commuters had discovered that there were superior options available.

But the London commuter example holds an important lesson for us. It is that while some people did indeed change their daily commute for good, the vast majority did not. Although disruption can momentarily shift our behavior, embedding and maintaining it requires active management and planning as we transition to the "new normal."

**THE EMERGENCE OF NEW WORKING PRACTICES**

**The move to virtual forms of communication**

Throughout the COVID-19 outbreak, most face-to-face meetings have moved to video conferencing platforms, which have experienced record numbers of users and downloads. Zoom's number of daily users increased to more than 200 million in March 2020 from a previous maximum monthly total of 10 million.

This shift to virtual forms of communication has called into question many related organizational routines, such as the frequency of in-person meetings and the need and frequency of business travel. This disruption is affecting the highest levels of international government, with G20 leaders now holding key discussions online. COVID-19 is also reshaping the landscape of business conferences, a trillion-dollar industry before the pandemic. While some companies have opted to postpone such events indefinitely, others are making plans to host them virtually. Many trade shows may not even survive; they already had been experiencing declines because of the advent of e-commerce and the consolidation among buyers and industry groups that attend such shows.

In the M&A and financing arena, business sellers and securities issuers and their investment bankers routinely hosted in-person meetings for potential acquirers and investors. The excitement generated by live meetings and the perceived importance of face-to-face interaction have been considered vital by all parties. The broad adoption of video conferencing, even by old-schoolers, has turned these routines on their head. Seeing the whites of someone's eyes across a table or room rather than on a video monitor isn't quite as critical as once thought.

**Restructuring business meetings**

There is another dimension to the way we meet that has been disrupted throughout the COVID-19 pandemic: the purpose, content, and structure of meetings, which are heavily routinized, are now being thrown into question. Here again, we are seeing both disruption to our previous working practices and new practices emerging in some areas. These include rapid all-staff virtual meetings to kick off the day; a tendency to have shorter outcome-oriented discussions by phone or video call to problem solve through the day; and an end to in-person brainstorming or conferences.

What is clear is that business professionals around the world are dissatisfied with the way in which meetings have historically operated within their organization. One recent study indicated that 67% of professionals feel that they are required to participate in an excessive volume of unproductive meetings. Other surveys show that meetings are generally perceived to be inefficient ways of managing work and often lack purpose.

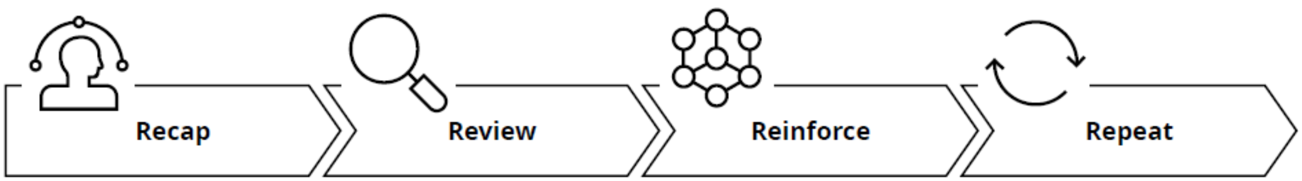
Despite apparently broad agreement that meetings (whether virtual or in-person) are not utilized in a particularly efficient manner, they have become a deeply embedded working practice for countless organizations worldwide, presenting tremendous inertia to the development of more efficient working routines.

As we enter the post-COVID environment, it therefore makes sense to consider how we organize meetings to update colleagues, generate new ideas, and make decisions. The research in this area shows that it can start with considering elements as simple as attendance lists, the duration of meetings, and pre-meeting preparation steps. In these areas, employees often default to established routines within meetings, for example by following routine scripts or blocking off a set amount of time (meetings in the U.K. and U.S. invariably last one hour, regardless of variation in the amount of content to be discussed). The ubiquitous use of online calendars is likely to have exacerbated these phenomena. A meeting that seeks to generate new ideas can benefit hugely by encouraging people to develop ideas independently from one another before coming together as a group.

**Transforming business models and practices**

The shift in business models has significant implications for organizational routines and may require organizations to develop a familiarity and comfort with integrating third-party vendors for key business services like payment processing, delivery services, information technology, and so on.

**HOW CAN ORGANIZATIONS EMBED NEW WORKING PRACTICES?**




**Recap**

- How are my organization's practices **disrupted** by COVID-19?
- Do employees and stakeholders feel **positively** about these changes?
- Do any of these changes represent an **improvement** over the previous order?

**Review**

- What **cue or trigger** prompts each of the desired behaviors?
- How are these cues **presented**, both before and during the pandemic?
- How can these cues be **replicated** post COVID-19?

**Reinforce**

- Which of these practices do we wish to **reinforce** post COVID-19?
- What **motivations** can be employed to establish these new routines?
- How do these motivations **differ** at the individual and group levels?

**Repeat**

- How can we ensure that these new cues are **repeated** on an ongoing basis?
- What existing guidelines, norms, and rules need to be modified to **institutionalize** these new practices?

When disruption is as widespread as it has been under COVID-19, a good starting point is to conduct an audit of new routines, behaviors, and practices among employees. The objective of this audit is to understand the ways in which meaningful changes to working practices and routines have been introduced — and to identify those with the potential to be converted into long-term embedded ways of working.

This will be a useful moment to reflect on normal ways of work that have been set aside temporarily — business travel, for example — and to determine if any might be ripe for reform. New practices are not innate but learned. As such, it is important to understand the specific cues which trigger the new behaviors that we have identified as being positive. As lockdowns are rolled back around the world, we should seek to preserve or recreate these same cues in order to maintain the positive behaviors.

Organizations should ensure that teams that seek to maintain desired routines feel rewarded for doing so. Behavioral science findings suggest that employees may respond more positively to "intrinsic" rewards rather than "extrinsic" financial incentives. Intrinsic rewards are nonfinancial benefits that appeal to an individual's desire to do the right thing and/or feel included or acknowledged. Although different activities require different lengths of time to effectively embed, Oliver Wyman internal analysis suggests that, in organizational settings, it typically takes around three months before we start to see the emergence of a genuine working practice.

**A CALL TO ACTION FOR ORGANIZATIONS**

When the worst of the pandemic has passed, a new "normal" life will slowly return. This is therefore a critical moment for organizations that seek to learn from and embed the lessons of the shutdown in everyday operations. As consumers and employees return to their previous ways of life, they are making conscious decisions every day about whether to embrace tenuous new habits that were formed under lockdown conditions or to return to the previous well-established work patterns.

For organizations that saw significant disruption during the COVID-19 lockdown, every day that passes without a concerted effort to acknowledge, assess, and activate new practices and routines represents a risk of lost opportunity. As we have described in this article, these new practices can be embedded relatively quickly if repeated in a consistent context, as part of a consistent routine, in response to a recurring trigger.

**About the Authors and Oliver Wyman:**

*Co-Authors: Abishek Sharma is a Partner in the firm's MEA Public Sector practice and focuses on employment, quantified economic analysis and government performance; Kevan Jones is a Partner based in Oliver Wyman's London office, where he leads the firm's cultural and leadership work; and John Bennett is an Engagement Manager in the Public Sector practice in the UAE.*

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EXCLUSIVE FINANCIAL ADVISOR

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Senior Credit Facility
Convertible Notes
EXCLUSIVE FINANCIAL ADVISOR

**$95,600,000**
US Home Systems
(NASDAQ:USHS)
has been acquired by
The Home Depot
(NYSE: HD)
EXCLUSIVE FINANCIAL ADVISOR

**$250,000,000**
DIVIDENDSOLAR
has merged with
Figtree Financing
and secured equity and debt financing affiliates of
LL Funds, LLC
EXCLUSIVE FINANCIAL ADVISOR

**$75,000,000**
PAWNEE LEASING CORPORATION
a Chesswood Group Limited company
Term-Out Facility
EXCLUSIVE FINANCIAL ADVISOR

**Up to $50,000,000**
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EXCLUSIVE FINANCIAL ADVISOR

**Amount Not Disclosed**
NORTH MILL EQUIPMENT FINANCE LLC
has been acquired by
WAFRA CAPITAL PARTNERS
EXCLUSIVE FINANCIAL ADVISOR

**$31,000,000**
ReMeD
has been acquired by
US Community Behavioral
a portfolio company of
BregalPartners
EXCLUSIVE FINANCIAL ADVISOR

**$30,000,000**
FOXPOINT TRUCKS
Credit Facility
EXCLUSIVE FINANCIAL ADVISOR

**Amount Not Disclosed**
Lighthouse Life
Growth Capital Investment
EXCLUSIVE FINANCIAL ADVISOR

**$40,000,000**
peachtree SETTLEMENT FUNDING
Private Placement of Preferred Equity
FINDER

**$240,000,000**
J.G.WENTWORTH.
has sold a majority stake in the company through a leveraged buyout transaction to
JLL Partners
EXCLUSIVE FINANCIAL ADVISOR

**$40,000,000**
RapidFunds
Senior Secured Term Loan
EXCLUSIVE FINANCIAL ADVISOR

**$150,000,000**
GOLDEN PEAR FUNDING
$100,000,000 Senior Secured Credit Facility
$50,000,000 Additional Commitment
EXCLUSIVE FINANCIAL ADVISOR

**$200,000,000**
ENTERRA ENERGY TRUST
Oil & Gas Income Trust
(NYSE: ENT and TSX: ENT.UN)
Senior and Junior
Secured Credit Facilities
EXCLUSIVE FINANCIAL ADVISOR

**$185,000,000**
glori ENERGY
has merged with
INFINITY CROSS BORDER ACQUISITION CO.
(NASDAQ: INXBU)
EXCLUSIVE FINANCIAL ADVISOR

**$20,000,000**
ADF APPLIED DATA FINANCE
Mezzanine Debt
CO-ADVISOR

**$140,000,000**
EnergySouth MIDSTREAM
(NASDAQ NMS: ENS)
&
FORTRESS
have acquired
MISSISSIPPI HUB LLC
EXCLUSIVE FINANCIAL ADVISOR

**$278,000,000**
i-trax
(AMEX: DMX)
has been acquired by
Walgreens
EXCLUSIVE FINANCIAL ADVISOR

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