



CIP Capital Advisors, LLC

Corporate Transactions and Capital Formation

**In Support of Lenders and Private Companies—
*Helping Businesses Emerge from the Pandemic Crisis***



Into Recovery and Growth—

The Essential Role of Private Companies in the Nation's Economy

The Sun Also Rises, the title of Hemingway's 1926 novel, characterizes our outlook today as the nation's economy begins recovery with the objective to progressively restore activity to pre-pandemic levels.

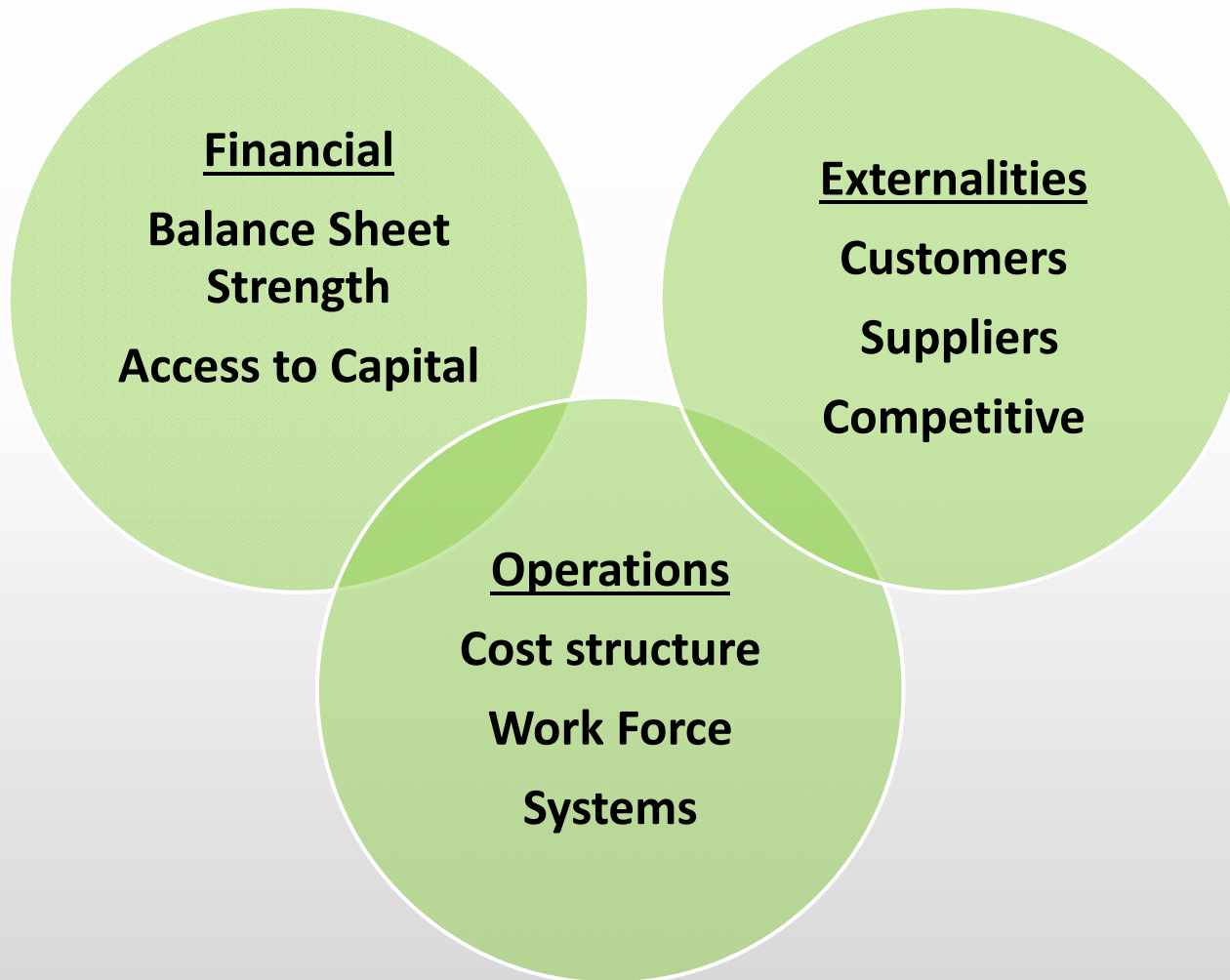
Private companies play a leading role throughout the economy, maintaining and creating more jobs than all the largest publicly traded companies combined because of their ability to innovate and react quickly.

And so, it is vitally important that this sector receives the support necessary as it recovers from the economic slowdown of 2020.

August 2020



**Into Recovery and Growth—
Spheres of Private Company Stresses**





Into Recovery and Growth— Private Company Stresses

As we emerge from these past months of challenge, the condition of many private companies, particularly within the lower middle market, will be stressed to various degrees depending upon:

- **Balance sheet strength prior to the downturn,**
- **Variable cost management,**
- **Reactive fixed cost reductions**
- **Work force condition and recovery status**
- **Viability of customers and suppliers and their horizons to recovery**

Being private usually means such companies have more *limited access to capital*, thus putting them at greater risk of stress or even failure.

Likewise, *business acquisition and exit transactions* often become compelling and necessary for survival and growth but present black-box type questions for management and ownership to address.



Into Recovery and Growth—Private Company Challenges Alternative Financing and Transaction Solutions

Financing alternatives for stressed private companies

- debt restructurings with current lenders,
- refinancings with new lenders,
- government loan programs (e.g. SBA, Federal Reserve), and
- strengthening of balance sheets with additional, patient capital, among other options, depending upon each circumstance.

Corporate transaction alternatives

- partial or complete ownership exit transactions,
- combinations with stronger industry partners or
- availing of favorable market conditions by pursuing strategic growth through acquisition.



Into Recovery and Growth— Solving the Financing Challenge

Debt Restructurings, Refinancings, Government Loan Programs

- **Restructurings, Refinancings and Balance Sheet Strengthening**
 - Existing Debt Restructurings—restructuring of existing lender term debt and working capital credit arrangements to provide adequate capital support through the recovery and growth phases
 - Lender Workouts/Refinancings—replacement of existing borrowing facilities with alternative lenders/lessors for continued financing in workout situations
 - Junior Debt/Mezzanine Capital--restructuring of the balance sheet with patient capital for added stability and strength through recovery and growth phases
- **Federal Reserve Main Street Programs**- three new Federal Reserve sponsored and Treasury backed programs to provide expanded capital availability to facilitate recovery and growth for lower middle and mid-market companies.
- **SBA Loan Guaranty Programs**—



Into Recovery and Growth— Financing Alternatives

Restructurings, Refinancings and Patient Capital

Existing debt
restructurings

Lender Workouts-
replacement sourcing

Patient Capital

Federal Reserve Mainstreet Programs

New loan Facility

Priority Loan Facility

Expanded Loan Facility

Government Sponsored Programs

SBA Guaranty programs

State/local programs

Economic development
programs



Into Recovery and Growth— Corporate Transaction Alternatives

Partnering Arrangements

Alignments with
stronger partners for
sustainability, growth
and future exit avenues

Owner Exits and Liquidity

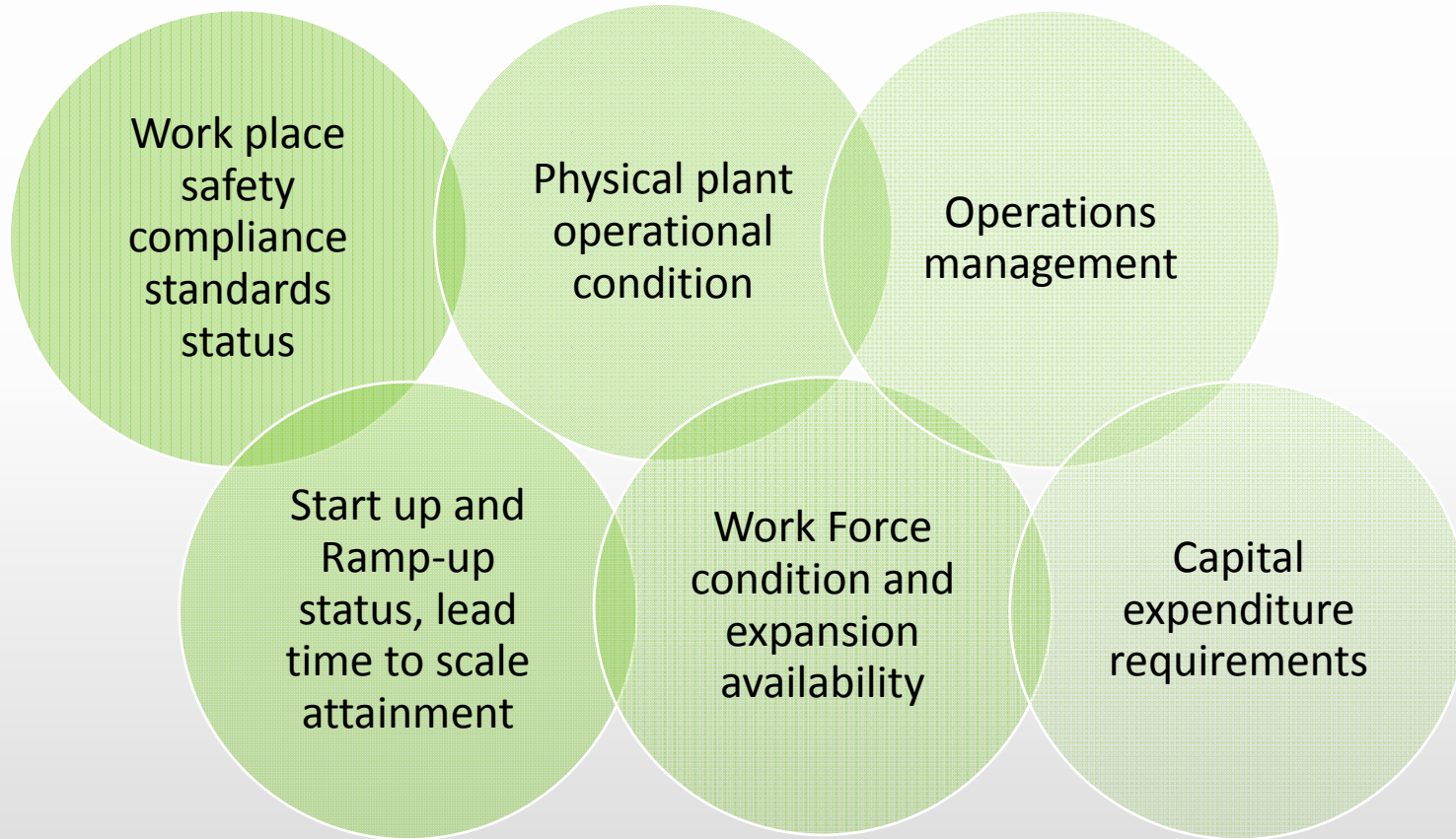
Planning and leading
corporate ownership
transitions,
Control shifts, internal
and external
transactions,
Tax advantaged
structures

Strategic Acquisitions

Horizontal and vertical
industry sector
expansions,
Optimal deal structures,
Transaction financing
facilitation

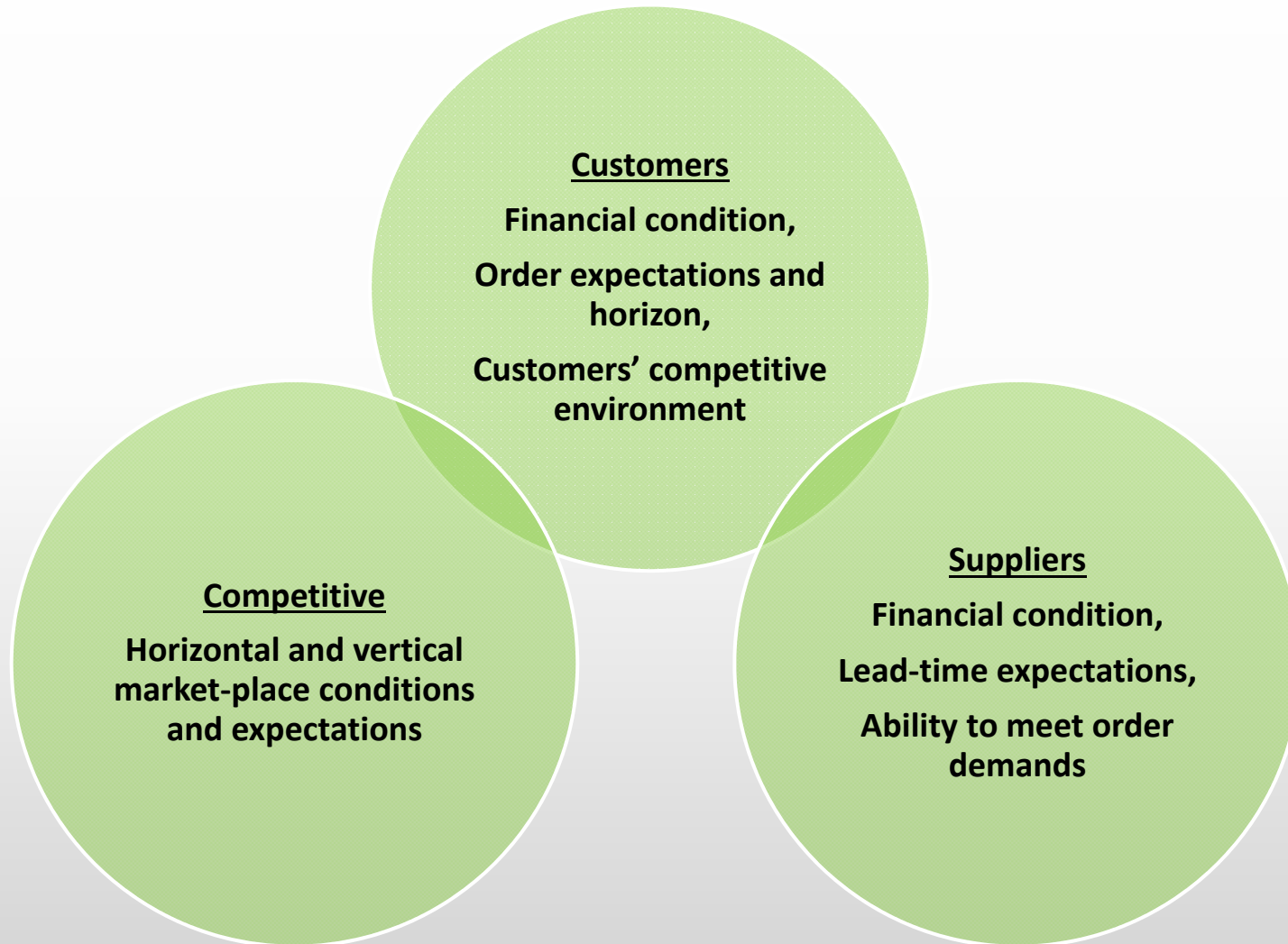


**Into Recovery and Growth—
Assessing Operational Challenges,
Developing, Implementing and Managing Solutions**





Into Recovery and Growth— Assessing External Impacts





CIP Capital Advisors—Into Recovery and Growth Lender Support and Guidance for Private Companies

The challenges facing private companies, whether impacting now or expected soon, require the assistance of professional advisors who have the knowledge, capability and capacity to guide companies through the crucial period of recovery and growth.

CIP Capital Advisors, LLC plays a leading role in assisting private companies through the complexities of recovery and growth. CIP Capital's operations, finance and M&A professionals form a cohesive team in assessing each unique circumstance and in leading the process to achieve meaningful turnaround, financing and corporate transaction results.

We look forward to discussing how the CIP Capital Advisors team can assist companies and lenders during this critical period.



CIP Capital Advisors, LLC

Corporate Transactions and Capital Formation

CIP Capital Advisors, LLC is a Midwest-based M&A and capital advisory firm specializing in acquisitions, corporate dispositions, financings, workouts and turnarounds for middle market companies.

Centered in the industrial Midwest, CIP Capital brings together diverse senior management experience earned across manufacturing and related productive sectors to meet the challenges private enterprises face when seeking to expand through acquisition. This platform drives the Firm's success in assisting middle market companies to achieve sustainable growth through strategic expansion and equally in managing enterprise ownership transition and recapitalization transactions to achieve orderly value-realization events.

CIP Capital delivers a combination of managerial and transactional expertise, providing the power for our clients to accomplish value-creating business transactions. At the foundation of every engagement is the firm's adherence to the hallmarks of quality, integrity and confidentiality.



CIP Capital Advisors, LLC

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