

SBIC Regulatory & Finance

Polsinelli's SBIC Regulatory & Finance practice is dedicated to helping Small Business Investment Companies, and potential SBICs navigate the full range of legal issues critical to their success. Our team focuses on informing our SBIC clients' business decision-making process from formation and licensing to providing regulatory advice and leading their financing, investment, and related transactions.

Our attorneys bring a unique perspective when providing general corporate, lending and private equity transactional advice, which is enhanced by our understanding of our client's business objectives. We utilize our extensive regulatory knowledge, as well as our relationships with a range of agencies that includes the Small Business Administration (SBA), and our vast experience as SBIC counsel on a wide array of financing and private equity investment transactions to provide valuable counsel to our investment company clients.

Our attorneys collaborate with clients to identify the best approaches for licensing and forming SBICs. Clients rely upon our attorneys to execute those plans by interacting with the SBA to facilitate the process. Specifically, Polsinelli's SBIC team assists clients in the following areas related to SBIC licensure:

- Preparing management assessment questionnaires (MAQs)
- Presenting to SBA's Investment Committee
- Preparing license applications
- Creating fund documents and ancillary documents
- Reviewing and preparing a private offering memorandum
- Reviewing business plans

Our team continues to provide ongoing regulatory and compliance counsel to many clients following the completion of a licensing, as well as their portfolio investments and transactional work. As a partner to our client's business, Polsinelli attorneys commit themselves by anticipating and resolving compliance issues — not only by working alongside SBIC principals — but also by interacting with the SBA to arrive at the best possible solutions.

Additionally, Polsinelli's SBIC practice is uniquely situated in the regulatory arena with a team of experienced lawyers who have represented SBICs in financing transactions for years. SBICs lean on us when funding their portfolio companies. We are well-versed in structuring the transactions and leading an efficient documentation process that is collaborative with the portfolio team (which usually is receiving private equity money in a sophisticated transaction for the first time). SBICs and their related portfolio companies rely on us post-funding to advise them with respect to strategic alliances, technology licenses, compensation plans, intellectual property matters, personnel matters, banking and other financial relationships, litigation, and creditor rights matters. Our SBIC clients trust us to represent them well, not just on the legalities of their transactions but as a part of their team that should build trust and confidence with each portfolio company. We take that charge seriously and work hard to deliver on every deal.

Matters

- Represented a \$100 million East Coast Growth Equity Fund and a Licensed Small Business Investment Company specializing in equity investments to qualified small businesses. As a result of the work, all of the Bank limited partners receive Community Reinvestment Act credit for their investment in the fund.
- Represented a \$200 million Licensed Small Business Investment Company specializing in debt and equity investments to qualified small businesses.
- Advise West Coast fund on a \$75 million Licensed Small Business Investment Company specializing in equity investments to qualified small businesses in the technology sector.
- Represented start-up fund on a \$60 million Licensed Small Business Investment Company specializing in debt investments to qualified small businesses.
- Represented large super-regional financial institution in making investments in eight different Small Business Investment Companies of approximately \$40 million.