



DEAL REPORT

2011, Quarter 4

Exciting news! Robinson & Cole was named a finalist in four categories at the 6th Annual Turnaround Awards:

Middle Market Sector Deal of the Year and **Financial Services Deal of the Year** for the recapitalization of Patriot National Bancorp by PNBK Holdings LLC

Distressed M&A Deal of the Year (Lower Middle Market) and **Consumer Services Deal of the Year** for the sale of Next Generation Vending and Food Service, Inc., to an affiliate of H.I.G. Capital, LLC

We are pleased to be recognized by the industry for our contributions, but the real credit goes to our clients—the management team at PNBK Holdings, which designed and implemented the recapitalization of Patriot National Bank, and the management team at Next Generation Vending, which positioned the company for a successful exit.

At the end of 2011, we closed several mezzanine loan transactions. Our mezzanine loan practice sits at the intersection of our business transactions and finance practices. This team of lawyers applies its extensive knowledge of legal, financial, and market issues for the benefit of our clients in transactions across the range of financings up and down the capital structure. Clients include mezzanine funds and private equity groups, including Small Business Investment Companies and other tax or government program-driven funds.

Highlights from 2011 include the following transactions:

[Advantage Capital Connecticut](#), a leading venture capital and small business finance firm focused on providing growth capital and other investments supporting state and local economic development efforts. Advantage Capital partnered with Ironwood Capital, a Connecticut-based investment management firm, in a credit facility to New England Linen Supply Company, a leading supplier of uniforms, linen, and textile products to institutional food service facilities and better restaurants. They made the investment through the Insurance Reinvestment Fund (IRF) program, administered by the Department of Economic and Community Development. The purpose of the IRF program is to stimulate economic development in Connecticut. These types of funds exist in some other states and are commonly referred to as CAPCO Funds. Advantage Capital also partnered with Ironwood Capital and Spring Capital Partners to provide senior debt

financing for Kidd & Company's sponsorship of the recapitalization of Numet Machining Techniques, Inc. Numet is a manufacturer of precision machined parts, kits, and assemblies for jet turbine engines used in a wide variety of commercial and military aircraft.

[Enhanced Capital Connecticut](#), a private equity and debt fund formed through public-private partnerships and enhanced by state tax credits to promote the growth and expansion of small businesses. This transaction was in connection with Enhanced Capital's mezzanine debt financing of iDevices, LLC, a distributor of the iGrill and other smartphone-compatible electronic devices. Enhanced Capital made the investment through the IRF program. Additionally, Enhanced Capital's mezzanine debt financing of Broadstar Energy Corporation, an emerging player in the field of distributed power generation sources. Enhanced Capital made the investment through the IRF program simultaneously with an investment by the Connecticut Development Authority.

[First New England Capital](#), a private equity and debt fund, in connection with mezzanine debt-financing with a Connecticut-based energy reseller; this transaction involved personal and corporate guaranties related to specific regulatory issues. We also played a lead role in the restructuring and subordination of the borrower's complex exclusive marketing and profit-sharing agreement. As counsel to the lender, we drafted and negotiated all loan documents, including an intercreditor agreement with the senior lender. Our Energy Group was involved in the identification and analysis of regulatory issues facing the borrower and its related parties.

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