

# Special Situations Financing

Tailored financing solutions to mid-market business for event driven transactions including recapitalizations, growth financings, acquisitions and management buyouts.

## Investment Structure and Terms

<b>Investment vehicle:</b>	Senior or subordinated debentures
<b>Target Cash Yield:</b>	10% - 14%
<b>Target Gross Yield:</b>	12% - 17%
<b>Bonus feature:</b>	Warrants, gifted shares, phantom equity, PIK
<b>Target loan size:</b>	\$5 million to \$50 million
<b>Duration:</b>	6 months to 5 years
<b>Amortization:</b>	Flexible
<b>Prepayment cost:</b>	Low
<b>Company ownership:</b>	Public & private

Senior and subordinated debentures, with terms from six months to five years, are secured by the client's business and its assets (subject to prior interests of any existing senior lenders, in the case of subordinated debentures). As with all our products, Special Situations solutions are structured to limit ownership dilution and allow our client to focus on management and continued growth.



Crown Capital Partners is a Toronto and Calgary-based specialty finance company that provides innovative and alternative debt solutions for Canadian growth businesses.

 <b>\$4 Million</b> Management Buyout APRIL 2015	 <b>\$22.5 Million</b> Acquisition Financing DECEMBER 2014
 <b>\$10 Million</b> Growth Financing DECEMBER 2013	 <b>\$25 Million</b> Growth Financing APRIL 2013
 <b>\$20 Million</b> Growth Financing DECEMBER 2012	 <b>\$25 Million</b> Debt Refinancing JUNE 2011

## Contact us

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# Featured Transactions

Innovative, event-driven solutions that enable organizations to advance projects, achieve growth targets, and improve share price.



Canadian based clean electricity generation company leading the way in waste energy to power applications.

Headquartered in Calgary and privately owned.

## Situation Overview

Medium term debt capital requirement to execute construction of several power facilities. As a high growth, privately owned company Genalta Power was sensitive to ownership dilution.

## Solution

- \$20 MM, 48 month, subordinated term loan issued in December 2012
- 10% interest rate
- Crown was issued share purchase warrants.

## Outcome

Genalta used the funds to advance their projects, leading to early repayment of the loan.



Canada's largest independent discount brokerage firm and the fourth largest brokerage firm in Canada.

Headquartered in Toronto and privately owned.

## Situation Overview

Medium term debt capital requirement to grow regulatory capital base in order to meet growth targets. Privately owned company with limited desire to raise third party equity.

## Solution

- \$10 MM, 60 month subordinated loan issued in December 2013
- 10% interest rate + bonus tied to Questrade's financial performance.

## Outcome

Questrade exceeded its growth targets, leading to early repayment of the loan.



CRH provides physicians with innovative products and services primarily for the treatment of gastrointestinal diseases.

Headquartered in Vancouver and publicly listed.

## Situation Overview

Medium term debt capital requirement to make a transformational acquisition. CRH was sensitive to ownership dilution.

## Solution

- \$22.5 MM, 42 month, subordinated loan issued in December 2014;
- 12% interest rate
- Crown was issued common shares.

## Outcome

Since the transaction CRH's share price has increased over 450%.