



# Private Investment in Public Entities (PIPEs)

Chapman and Cutler LLP regularly represents investors, underwriters and issuers in private and public equity financings. As part of this practice, we are regularly involved in PIPEs transactions.

Investors find PIPEs attractive because they can buy securities at a discount to market prices due to the non-registered, and therefore illiquid, nature of these types of securities at issuance. Such transactions can often be completed quicker and at a lower initial cost than a registered offering.

PIPEs are typically sold to a limited number of institutional investors, allowing the issuer to know the identity of its new shareholders. For companies with a relatively small public float, PIPEs are an ideal way to sell a large block of equity without disrupting public trading of its stock.

When Chapman and Cutler selects a legal team to work on a typical PIPEs transaction, you can be sure it will include the perfect balance of attorneys with private and public equity experience, reflecting the hybrid nature of such transactions.

## Representative Transactions

- Representation of an institutional investor in connection with the purchase of \$10 million in common stock and warrants to purchase common stock of an energy savings technologies company.
- Representation of an institutional investor in the purchase of shares of common stock of a fuel cell technology company.
- Representation of an institutional investor in connection with the purchase of common stock and warrants of a bio-materials company.
- Representation of an institutional investor in connection with a \$2 million common stock investment in a pharmaceutical company.

## Attorneys

Walter L. Draney  
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## Related Practices

Asset-Based Lending  
Certified Capital Company Finance (CAPCOs)  
Conventional Secured and Unsecured Debt Finance  
Corporate Finance and Securities  
Credit and Liquidity Enhancement of Securities  
Credit Tenant Loan Finance  
Cross-Border Institutional Private Placements  
Derivatives Transactions  
Federal Government Finance  
Mezzanine Finance  
Private High Yield  
Project Finance  
Public-Private Partnerships  
Real Estate Finance  
Real Estate Investment Trusts (REITs)  
Rule 144A and Other Exempt Offerings  
SEC and Stock Exchange

Compliance  
SEC Registered Offerings  
(Debt and Equity)  
Second Lien Financings  
Secondary Market  
Transactions  
Secondary Offerings  
Sports Finance  
Utility Finance