



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
William C. Hermann
Jonathan A. Koff
William M. Libit
Anthony D. Yager

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