

2011

Year In Review



LucoskyBrookman

Our clients had a very active year in 2011, participating in a wide variety of corporate finance and securities transactions. While the broader markets experienced a slowing of deal activity throughout the micro, small and mid-cap markets, the Firm's diverse range of practice areas supported above average activity in 2011.

In particular, the Firm worked for numerous clients structuring and negotiating various merger transactions, alternative public offerings, S-1 Registration Statements, Form 10 Registration Statements, Equity Credit Facilities, Senior Secured Credit Facilities and various other private equity, venture capital, corporate finance and PIPE transactions. These ranged from a \$244.8 million purchase and sale transaction, to a \$25 million common stock offering, to multiple modest early-stage private investments. The Firm assisted clients in diverse industries including the technology, biotechnology, energy, alternative energy, metals and mining, software, jewelry, nutrition, insurance and banking sectors.



Lucosky Brookman currently represents **over 35 public operating companies** ranging from companies listed on the NYSE, the NASDAQ and the NYSE Amex to companies quoted on the OTC Bulletin Board, OTCQB and Pink Sheets.

The Firm has successfully represented clients throughout 2011 in connection with the following:

28 Registration Statements

9 Merger transactions

51 Equity, Debt and Convertible Note investments

7 Senior Secured Credit Facilities / Loan Agreements

14 FINRA Corporate Related Actions

Transactions in 2011 helped our clients to advance their business interests and we were pleased to assist them. In 2012 we expect increased activity in some traditional areas such as merger transactions, equity credit facilities, private equity transactions, venture capital, corporate finance, and PIPE investments, as well as some non-traditional areas including restructurings and reorganizations.



Mergers and acquisitions, securities, corporate finance, equity investments and other strategic transactions continued to be a significant part of our practice in 2011.

A representative sample of these transactions included:

- Representation of a NYSE-listed insurance benefit provider, as lender, in a \$2,000,000 Senior Secured Loan Agreement advanced to private purchasers, as borrowers, for the purpose of financing the purchase of an insurance benefit company and collateralized by, among other things, a pledge of the membership interests in the borrowing entities.
- Representation of a publically traded iron ore manufacturer in a \$244,800,000 secured purchase and sale, pursuant to which the buyer agreed to purchase certain amounts of iron ore in installments over the course of a three year period.
- Representation of a private Hungarian online website search provider in a Reverse Merger transaction with a U.S. publicly-traded vehicle, including a share exchange, warrant coverage, and the issuance of a convertible promissory note in the principal amount of \$750,000 to a private investor.
- Representation of a provider of month-to-month vehicle service contracts, roadside assistance products and Gas-N-Go Cards in a Reverse Merger transaction including a share exchange of the company's Series B Preferred Stock for 100% of the common stock of a developer and deliverer of insurance-related products and services, resulting in such vehicle services company becoming a wholly owned subsidiary of the provider of insurance-related products.
- Representation of a technology company specializing in transportation security in a Reverse Merger transaction with a publically traded vehicle, including a subsequent recapitalization transaction.
- Representation of a mining and gas company in connection with a senior secured loan transaction, including a convertible promissory note, advanced for general working capital purposes and collateralized by all assets of the company.



- Representation of the Special Committee of the Board of Directors of an insurance company specializing in health insurance in determining whether to recommend to its shareholders the exchange of their shares of such insurance company for shares of its NYSE-listed parent company.
- Representation of a telecommunications company in registering \$15,000,000 of its common stock in connection with an Equity Credit Agreement.
- Representation of a consumer product manufacturer specializing in the clinical, home healthcare, infant and juvenile product industries in registering on Form S-1 approximately six million shares of common stock pursuant to an Equity Purchase Agreement.
- Representation of a company involved in environmental data collection and transport of information through wireless technologies and remote sensing methods in its assignment of its patented technology. Subsequently represented the company in its capital raise consisting of common stock and common stock purchase warrants.
- Representation of an alternative energy company in the registration of \$10,000,000 of its common stock in connection with an upfront bridge investment and an equity line agreement.
- Representation of a consumer product manufacturer in a credit workout involving the exchange of a 12% Secured Promissory Note for a combination of debentures and the issuance of shares of common stock.
- Representation of a medical device manufacturer in connection with a senior secured loan transaction, including a convertible promissory note, advanced for general working capital purposes and collateralized by all assets of the company.
- Representation of a technology-based medical device company developing improved early diagnosis of breast and lung cancer in registering its common stock on a Form 10 Registration Statement and the subsequent FINRA application to obtain a trading symbol on the OTCBB.



- Representation of a manufacturer and seller of outdoor lighting fixtures for roadway and area-lighting applications and specialty lighting products in its private placement of its common stock and common stock purchase warrants.
- Representation of a NYSE-listed health and life insurance holding company in a corporate reorganization including the merger of several subsidiaries into one newly-formed entity.
- Representation of a medical waste disposal company in registering \$15,000,000 of common stock in connection with an upfront bridge investment and a subsequent equity credit agreement.
- Representation of a nutritional supplement company in a \$900,000 convertible promissory note transaction and a subsequent registration of shares of its common stock.
- Representation of an online marketing company in a \$6,500,000 asset sale to a technology platform company including negotiating and structuring various earn-out and post-closing performance covenants.
- Representation of a software acquisition company in a \$750,000 Senior Secured Credit Facility advanced by a specialized commercial bank for the purpose of refinancing existing company debt and collateralized by company Account Receivables.
- Representation of a private healthcare and pharmaceutical provider, as borrower, in a \$1,000,000 senior secured loan facility advanced by a high net worth investor, as lender, for the purpose of providing bridge financing and collateralized by Accounts Receivables.
- Representation of a jewelry manufacturer in connection with a senior secured loan transaction, including a convertible promissory note, advanced for general working capital purposes and collateralized by all assets of the company.
- Representation of numerous companies in various “corporate actions” including successfully advising on the FINRA approval process and completing all SEC disclosure obligations.

Practice Areas

Corporate Finance and Securities

Public Offerings	Corporate and Commercial transactions
Private Placements / PIPEs	General Corporate Matters
Equity Lines of Credit	Corporate Governance
Recapitalizations (Reverse / Forward Splits)	Term and Revolving Lending transactions
Rule 144 Matters	Asset-based Lending transactions
Mergers and Acquisitions	Revolving Lines of Credit
Acquisition Financings	Letter of Credit transactions
Joint Ventures	Bridge Loans
NYSE, NASDAQ and NYSE Amex Listing Matters	Workouts, Reorganizations and/or Loan Sales
Exchange Act Reporting and Other SEC Compliance Matters	Registration Statements (S-1, S-3, S-4, S-8, Form 10)

Litigation and Arbitration

Commercial / Business Litigation and Arbitration
Securities Litigation and Arbitration
Administrative Actions before Regulatory Agencies
Regulatory Investigations (SEC / FINRA / PCAOB)
Labor and Employment Litigation

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