Focus

Private Equity Nucleus
Unlike private M&A deal studies that source their data from publicly available sources such as SEDAR and are, therefore, based on private transactions involving public companies, the study focuses exclusively on transactions involving private equity funds, sponsors or portfolio companies as sellers, buyers, investors and/or targets.

Scope
The study analyzed over 100 transactions signed between 2014 and 2017 among unrelated parties. The study will be updated on a yearly basis going forward.

Canadian Nexus
The study focuses exclusively on transactions involving Canadian private companies or their assets.

Blakes Involvement
The study is sourced from and focuses exclusively on transactions in which Blakes was involved as lead or Canadian counsel. By reporting aggregated data, we ensured no confidential information is disclosed.

Topics Covered

Process
- Interim Period
- Management Rollover
- Options

Financial Terms
- Escrows
- Earnouts
- Purchase Price Adjustments

Qualifiers
- Material Adverse Effect
- Knowledge

Representations and Warranties
- Noteworthy R&Ws
- Fundamental R&Ws
- Ringfencing
- Schedule Updates

Closing Conditions
- R&W Bring-Down
- Material Adverse Change
- Competition Act Approvals

Other
- Interim Period Covenants
- Reverse Break Fees
- R&W Insurance – Buy-Side Policies

Indemnification
- Damages Covered
- Survival of R&Ws
- Stand-Alone Indemnities
- Sandbagging
- Non-Monetary Limitations and Delimitations
- Materiality Scrapes
- Eligible Claim Thresholds
- Baskets
- Caps
- Monetary Limitation Exclusions

For more information on our Private Equity practice, visit www.blakes.com
**Overview**

**Snapshot**

**Structure**
- Assets 14%
- Shares 77%
- Hybrid 9%

**Size**
- > $1B 8%
- > $500M to $1B 13%
- > $100M to $500M 31%
- ≤$100M 48%

**Players**

**Nature**
- Strategic 26%
- Private Equity 27%
- Founder 47%

**Sellers**
- Canada and U.S.A. 31%
- Other 1%

**Jurisdiction**
- Canada 56%
- U.S.A. 35%
- Europe 3%

**Buyers**

**Nature**
- Private Equity 84%
- Strategic 16%

**Jurisdiction**
- Canada 34%
- Asia 3%
- Other 1%

**Dynamics**

**Sellers**
- Private Equity to Private Equity 11%
- Founder to Private Equity 47%
- Private Equity to Strategic 16%
- Strategic to Private Equity 26%

**Buyers**
- Founder to Strategic 16%
- Private Equity to Private Equity 47%
- Private Equity to Strategic 16%
- Strategic to Private Equity 26%

**Industry**
- 25% Industrial Goods and Services
- 9% Transportation
- 6% Oil & Gas/Energy
- 3% Infrastructure
- 17% Technology & Media
- 8% Financial Services
- 6% Chemicals & Natural Resources
- 2% Real Estate
- 12% Life Sciences
- 7% Retail
- 5% Food & Beverage

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