



firm profile

McMillan is a modern and ambitious business law firm serving public, private and not-for-profit clients across key industries in Canada, the United States and internationally. With recognized expertise and acknowledged leadership in major business sectors, we provide solutions-oriented legal advice through our offices in Vancouver, Calgary, Toronto, Ottawa, Montréal and Hong Kong. Our firm values – respect, teamwork, commitment, client service and professional excellence – are at the heart of McMillan's commitment to serve our clients, our local communities and the legal profession. For more information, please visit our website at www.mcmillan.ca.

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consortia

overview

Large private equity deals frequently involve a consortium of two or more funds or groups coming together to form a single bidder; most of the largest leveraged buyouts in history have involved multiple private equity firms acting as a consortium.

Also known as a 'club deal', a consortium is attractive for a variety of reasons, not the least of which is that it helps share risk among the investors. It also provides greater leverage, and members may benefit from the industry-specific expertise of others in the consortium.

Club deals are not simple, however. As with any multi-party transaction, they present significant challenges, such as securing agreements on the responsibilities of each party and forming an understanding of the terms of the bid before submission. Separate counsel often represent the consortium members, negotiating the terms and relationship between them. Consortia also frequently seek the counsel of a neutral law firm to help navigate the complexities of the transaction .

McMillan's Private Equity and Venture Capital Industry Group has significant experience working with consortia, as well as individual participants . Our lawyers bring a combination of private equity experience and strong negotiation skills, which are vitally important to making club deals succeed.

Our clients turn to our us to help them execute large transactions that may otherwise be unaffordable or too risky to pursue unilaterally. Our focus in club deals or consortia is on helping both member and consortia clients find common ground that maximizes the return on their investments.

McMillan professionals help clients lead by:

- Representing consortia on bidding, negotiating and closing deals
- Negotiating consortium agreements to define the legal relationship among members, as well as the fiduciary duties of each
- Structuring consortia including tax planning and financing
- Advising consortium members on their respective governance rights related to the bid
- Defining exit strategies and criteria for consortium members, including agreement on competing bids once members have exited