

AG FINANCE



Husch Blackwell's team of agricultural finance attorneys utilizes its deep understanding of the food systems industry to provide legal know-how to lenders, investors, and borrowers engaged in ag finance transactions. Our roster of clients is as broad as the industry itself and includes financial institutions, nonbank lenders and investors, agribusiness companies, large family farms, cooperatives, and wholesalers and distributors, as well as business concerns in allied areas focused on agriculture, such as transportation/storage, commodities traders, farm equipment, seed technology, and chemicals. The ag finance transactions we facilitate touch on all areas of the food chain from farm (or factory) to table and everything in between.

Members of our team have handled practically all credit and equity transactions relevant to the ag finance space, including:

Capital formation, including early-stage finance and venture capital

Bilateral and syndicated loan transactions

Asset-backed finance

Acquisition financing

Ag finance-specific state and federal regulatory concerns

Workouts and troubled loans

Insolvencies and bankruptcies

Contact Information

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Hedging transactions

Commercial contracts, including supply agreements

Land use, leasing, water rights, and environmental law issues

Our team has also developed specific experience in niche and non-traditional areas of finance, notably in the cannabis industry, where we assist borrowers and lenders with the peculiar nature of transactions concerning cannabis. We provide to leading industry participants sophisticated transactional, finance, and regulatory legal counsel, including mergers and acquisitions, securities offerings (public and private), debt and equity financings, and corporate restructuring.

Our team also has deep experience assisting clients with distressed situations, including troubled loans, workouts, restructuring, insolvencies and bankruptcies. We work closely with our colleagues in the firm's Insolvency & Commercial Bankruptcy team to guide clients through the complexities of financial distress in the context of ag finance.

Our team also works routinely with our Energy & Natural Resources industry group on matters where there is a significant overlap between the food systems industry and energy. Enterprises engaged in the biofuels and ethanol industries rely on Husch Blackwell to structure and document a wide array of critical transactions, including capital market transactions, project finance, acquisitions and divestitures, and feedstock agreements.

Representative Experience

Lender-Side Representations

Counsel for family of life insurance companies in the origination and servicing of more than \$5 billion in commercial, agricultural loans secured by properties in more than 30 states

Represented lenders in placing over \$100 million of loans to local, single state, and multi-state cannabis cultivators, distributors, and dispensaries

Assisted a multinational bank develop its industrial hemp lending program and related policies for the United States

Served as lender counsel relating to \$14.5 million term loan and revolving line of credit financing for system of agricultural farms in Arizona secured by real property, crops, equipment, and personal guarantees

Served as lender counsel for \$4.5 million term loan and revolving line of credit financing with multiple borrowers and guarantors for swine nursery construction, working capital line of credit and equipment financing in Missouri secured by real property and equipment

Represented bank in providing loans to a liquor distributorship in Kansas and eastern Oklahoma, including a springing guaranty that placed the principal of the distributorship if he failed to cooperate with the liquidation of the liquor inventory

Represented regional bank in loans to agricultural borrowers in Missouri, Illinois, Kentucky, Indiana, and Arizona

Advise national and regional lenders in the cannabis space

Borrower-Side Representations

Led representation of large agribusiness client on \$500MM refinancing of its commercial loans and interest rate swaps into the farm credit system. The refinancing represented a significant cost savings to the client and provided relief from various loan covenants that gave the client substantially more flexibility in its business and joint venture efforts.

Assisted multi-state cannabis operator refinance its \$55 million credit facility

Assisted Kansas private college in obtaining U.S. Department of Agriculture (USDA) loan to refinance construction loan secured by college's real estate on parity basis with outstanding public debt.

Assisted a multi-state cannabis operator obtain secured credit facility and issued related state legal opinions

Assisted numerous cannabis operators obtain unsecured financings

Distressed-Debt and Insolvency-Related Representations

Represented wholesale grocer in a nearly \$300 million acquisition of six operating divisions from a Chapter 11 debtor.

Represented wholesale grocer as a secured lender and vendor in a Midwest based bankruptcy where the wholesale grocer acquired ownership of approximately 44 stores through a sale approved in the Chapter 11 plan.

Obtained \$3 million judgment and foreclosed multiple

parcels of agricultural land in two separate Kansas counties.

Represented lender in successful staggered liquidation of herd of cattle worth more than \$1 million.

Coordinated successful multi-state foreclosure action for agricultural properties worth approximately \$1 million in Kansas and Oklahoma.

Coordinated successful multi-state foreclosure of agricultural properties in New Mexico and Texas.

Represented wholesale grocer as a strategic buyer in a Chapter 11 food bankruptcy obtaining a § 363 sale order within five business days of the bankruptcy filing.

Represented large national bank as a defrauded lender in the George Young bankruptcy proceedings in Kansas City, Mo. Young perpetrated what was at the time the single largest cattle fraud scheme ever in the United States. Led negotiations for the defrauded investor group and its lenders and was instrumental in forging a global settlement with more than 50 stakeholders, resulting in a distribution and recovery for all creditors.

Defended national meat processor from claims seeking over \$10 million in alleged preferential transfers ultimately settling the four matters for \$100,000.

In matter of first impression in Delaware Bankruptcy Court, obtained ruling holding that a food processing client could offset its \$2.6 million administrative expense claim against alleged preference liability. *The Official Committee of Unsecured Creditors of Quantum Foods, LLC v. Tyson*

Foods, Inc. (In re Quantum Foods LLC), 554 B.R. 729
(Bankr. D. Del. 2016).

Represented a national banker's association retirement plan as a creditor in a national food producer bankruptcy where the plan received a substantial distribution as an administrative claim and a favorable ruling with respect to single employer versus multiemployer liability against the Pension Benefit Guaranty Corp.