

SPECIAL PURPOSE ACQUISITION COMPANIES (SPACS)



Special purpose acquisition companies (SPACs) reemerged in recent years as a tool to bring companies to the public equity markets. This renewed interest led to significant deal flow, as well as increased scrutiny from regulators. Husch Blackwell's transactional teams represented sponsors, financial institutions, and acquisition targets in complex SPAC and de-SPAC transactions across multiple industries, including advice in connection with corporate law, securities law, and private investment in public equity (PIPE) transactions.

As the use of SPACs evolved, our team ramped up its focus on new and pending regulations, particularly those involving the Securities and Exchange Commission (SEC). Additionally, we are closely monitoring SPAC-related litigation and are capable of assisting a variety of clients in assessing litigation risk and incorporating litigation into an overall strategy to preserve and enhance corporate value.

Sponsors

Our attorneys handle SPAC-related legal and business challenges for sponsors at all phases of operations. Our corporate and securities teams assist sponsors in structuring SPACs—including industry-themed SPACs—and in preparing and executing initial public offerings. Crucially, at the earliest stages, our combined team provides sponsors with access to Husch Blackwell's robust network of investment bankers, accountants, and other deal professionals who have significant experience with both SPACs and the array of middle-market private

The entire Husch Blackwell team was fantastic counsel. True experts and wise advisors in multiple areas to assist with our business combination.

— Al Gatmaitan, Co-
Chief Executive &
President,
UpHealth, Inc. —

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companies that are frequently acquisition targets, helping our sponsor clients identify potential deals more quickly and efficiently.

Increasingly, SPAC sponsors serve as agents of consolidation within various industries, using their financial resources to roll up smaller operating companies into a larger, publicly traded entity. Our SPAC team is well acquainted with these complex, multi-target transactions and can assist clients from the pre-IPO stage through to the de-SPAC process, including business combination agreements, registration statements, and follow-on PIPE transactions to meet post-SPAC financing needs.

Acquisition Targets

Our team has decades of experience assisting clients on sell-side transactions, particularly middle-market privately owned businesses. Husch Blackwell is recognized by Legal 500 as a leading middle-market M&A firm and advises companies at all phases of dealmaking, from the initial approach through to closing.

For equity owners actively seeking an exit, our team provides advice that helps prepare companies for sale. In the SPAC context, we use our deep public company experience and industry-first approach to help private businesses overcome potential regulatory hurdles to consummating a transaction. In all instances, we leverage our network of financial and strategic buyers for the benefit of our sell-side clients, generating transaction opportunities and using our market knowledge to assist in the sale process.

Underwriters & Placement Agents

Husch Blackwell routinely serves as underwriters' counsel in securities offerings and represents placement

agents in PIPE transactions. We provide clients with a deep perspective on counterparty risk, using our industry knowledge, sound judgment, and related regulatory experience to help structure and draft agreements that preserve value and manage risk.

Recent Transactions

Represented UpHealth Holdings, Inc. in its merger with GigCapital2, Inc. This matter involved addressing extensive healthcare licensing and regulatory complexities and comprised the acquisition by UpHealth of five operating companies, one of which was a cross-border acquisition of an India-based target, the negotiation of the business combination agreement with GigCapital2, a PIPE and convertible note round totaling \$285M, and the additional merger of Cloudbreak Health, LLC. Upon completion in June 2021, the implied market capitalization is approximately \$1.35B and UpHealth will be one of the largest global digital health companies.

Represent Northern Genesis Acquisition Corp. I in a cross-border acquisition of Canada-based Lion Electric, a maker of electric trucks and buses, that included a \$200 million PIPE investment and an implied market capitalization of \$1.9 billion.

Representing Colorado marijuana dispensary in a SPAC-led merger valued up to \$425 million.

Represent a company in a de-SPAC transaction that once consummated will deliver to the public market a digital

operating system for money comprised of a large OTC trading platform and an exchange for digital assets built on blockchain technology.

Represent Northern Genesis Acquisition Corp. II in an acquisition of San Francisco-based Embark Trucks, a leading developer of autonomous software technology for the trucking industry, that included a \$200M PIPE investment and an implied market capitalization of \$5.16B.

Represented Talkspace Inc. in its merger with Hudson Executive Investment Corp., that included a \$300M PIPE investment. Upon completion in June 2021, the implied market capitalization was approximately \$1.4B and Talkspace was the first publicly traded virtual behavioral health company.

Represent a global clean energy waste management holding company in a cross-border, multi-target acquisition and de-SPAC transaction that has an implied market capitalization of approximately \$2B.

Represent a multi-faceted air mobility, autonomy, and aerospace platform in a cross-border, seven-target acquisition and de-SPAC transaction that has an implied market capitalization of approximately \$1.5B.