

Venture Capital

We Think Like Entrepreneurs.

Andrews Kurth is a leading law firm for entrepreneurs, public and private emerging growth companies, and venture capital and private equity firms. Our Technology and Emerging Company Group comprises a dedicated team of attorneys providing focused representation to public and private emerging growth companies and entrepreneurs as well as the venture capital and private equity firms that finance them. We take pride in having a practical, business-like approach to advising our clients, and we share their entrepreneurial spirit and drive.

Our client service teams combine relevant experience with an understanding of a client's business and markets to provide efficient legal services and solutions with an outstanding degree of responsiveness.

We thrive in the fast-paced entrepreneurial world by combining flexibility and speed with the experience that comes from taking billions of dollars in new ventures from inception to IPO and beyond.

Facts about our Corporate and Securities Practice

- Since 2003, we have completed more than 300 venture capital financings.
- Since 2003, we have represented clients in more than 300 securities offerings raising nearly \$100 billion in capital.
- Since 2003, we have represented acquiring companies, targets and investment advisors in more than 350 business combinations, with an aggregate value of more than \$161 billion.
- We were recognized as one of the "Most Active Law Firms" by the *Dow Jones Private Equity Analyst* in 2007 and 2008.
- We were recognized as one of 15 "Top Transactional Practices" in *The American Lawyer* 2007 Corporate Scorecard, based on the number of categories for which we were ranked in the top 10.
- We were recognized as one of the Top PIPE Legal Advisors – 2007 RaiseStats™ PIPE League Teams.

Industry Breadth

Our Technology and Emerging Company Group represents companies in a number of technology sectors, including:

- Clean Technology
- Computers and Networking
- Defense Technology
- e-Commerce
- Energy Technology
- Internet and Social Media
- Life Sciences and Biotechnology
- Medical Devices
- Nanotechnology
- Renewable Energy
- Semiconductors
- Software
- Software as Service
- Telecommunications
- Transportation
- Wireless Communications

Venture Capital

Network and Relationships

Our relationships are a valuable resource for our clients. We have extensive relationships with angel investors, venture capital and private equity funds, hedge funds and other sources of capital, many of which have provided funding for our clients. We also have strong ties with a number of investment banks, public and private technology and energy companies, and universities. These relationships allow us to help design financing strategies for our emerging company clients, including providing targeted referrals to investors and companies. We also have many relationships throughout the industries in which our clients operate, and can make introductions to potential customers and partners. We maintain strong relationships with venture capital firms throughout the country, such as:

- Adams Capital Management
- Aisling Capital
- Alliance Capital
- Alloy Ventures
- ARCH Venture Partners
- Austin Ventures
- Azure Capital Partners
- Battery Ventures
- Blue Lion Capital
- Centennial Ventures
- CenterPoint Ventures
- EnerTech Capital
- G51
- Geometric Group
- Globespan Capital
- HIG Ventures
- Hunt Ventures
- Insight Venture Partners
- InterWest Partners
- Kleiner Perkins Caufield & Byers
- Matrix Partners
- Miramar Venture Partners
- New Enterprise Associates
- North Bridge Venture Partners
- Oak Investment Partners
- Phoenix IP Ventures
- Rho Ventures
- S3 Ventures
- Sevin Rosen Funds
- The Carlyle Group
- TL Ventures
- TPG Ventures
- Trellis Partners
- Updata

Venture Capital

- VantagePoint Venture Partners
- Venrock Associates

Experience, Resources and Scale

We are a full-service firm that has the depth, experience and resources to scale with our clients as they grow and expand in domestic and global markets. We have a long history of representing technology and high-growth companies. Attorneys in our Technology and Emerging Companies Group have represented hundreds of technology and other high-growth enterprises in various industries and regularly advise clients on formation and development, seed stage and late-stage funding, initial public offerings, PIPE and 144A transactions, mergers and acquisitions, intellectual property and licensing matters, and executive compensation and benefits. Our general corporate services typically include:

- Reviewing client business plans
- Advice regarding corporate formation and structuring
- Identifying appropriate financing sources and assisting with introductions to those financing sources
- Structuring the transfer of intellectual property from founders, universities and other third parties to the company
- Corporate governance and investor relations, including attending board meetings
- Assisting with capitalization records and stock administration

Corporate Counseling and Securities

We counsel clients on the formation and initial capitalization of their companies and provide a comprehensive formation package that allows our clients to hit the ground running. We guide clients through all stages and types of public and private financings, from early seed and angel investments through later stage financing and public offerings. Since 2003, we have completed more than 300 venture capital financings. Furthermore, we use our relationships with institutional and angel investors to assist clients in obtaining financing. We have been recognized by *Dow Jones Private Equity Analyst* as one of the most active law firms in the country for private equity and venture capital transactions in recent years.

Capital Markets Leadership

We regularly rank among the nation's top law firms representing issuers and underwriters in public securities offerings. Since 2003, we have completed more than 450 public offerings for more than \$131 billion in proceeds. In 2007 alone, we were involved in more than 60 public offerings that helped our clients raise nearly \$30 billion in capital. In recent years, we have consistently ranked in the top 15 law firms in terms of the number of initial public offerings in which we have been involved, representing either the issuer or the underwriters. Many large issuers are also among our clients. Whether a client's financing requires convertible debt, hybrid debt-equity securities, or preferred or common equity, we have the resources, deep experience and the relationships to help clients manage the transition from private to public company and secure the funding they need to scale their businesses.

Mergers and Acquisitions

Since 2003, we have represented acquiring companies, targets and investment advisors in more than 350 business combinations, with an aggregate value of more than \$161 billion. Our experience expands from mergers and acquisitions, stock and asset purchases, to tender offers, proxy fights, auctions and spin-offs. Whatever the needs of our clients, our lawyers routinely advise them on defensive and offensive takeover measures, tax structuring and antitrust issues, and the executive compensation and employment issues that business combinations typically involve.

Technology Alliances

Our lawyers structure, draft and negotiate complex strategic relationships for emerging companies. Our experience leads us to insightful judgments on what makes some relationships work while others fail. When building alliances, we help clients

Venture Capital

exploit and profit from their technology. In the process, we help create:

- Mergers and acquisitions in various combinations of stock, cash and debt, including innovative “roll-up” transactions in which multiparty acquisitions create a new company
- Cooperative research and development agreements, joint ventures and strategic alliances
- Licensing of technology, often across borders
- Research contracts and consulting agreements with outside technical experts, including licensing of startup technology from universities, medical schools and research centers
- Multimedia agreements that license music, books, magazines, videos, photographs and other intellectual property assets for electronic and Internet applications
- A wide range of other combinations, including partnership programs, marketing arrangements, referral relationships and developer agreements

Intellectual Property and Licensing

Andrews Kurth helps clients in virtually all industries obtain, protect and enforce patents, trademarks, copyrights, trade secrets and other intellectual property rights. Our services include counseling on employee intellectual property and confidentiality agreements, covenants-not-to-compete, employee training programs, document classification and retention policies, and trade secret misappropriation. We also help technology clients establish guidelines covering work-for-hire agreements and copyright assignments. Our intellectual property lawyers have strong technical backgrounds and extensive legal and commercial experience as in-house IP counsel, patent and trademark examiners, engineers or scientists.

Executive Compensation and Benefits

Andrews Kurth lawyers regularly assist clients in designing, negotiating and implementing compensation and benefits plans for executives and employees. Our industry experience helps us to provide sound counsel with a best practices perspective on:

- Equity incentive plans
- Employment agreement negotiations
- Executive tax planning
- IRS section 409A and 280G compliance
- Merger and acquisition compensation planning
- Corporate governance-related issues

Labor and Employment

The labor and employment challenges for technology and growing companies are unique in many respects and require adaptable and cost-effective frameworks that keep clients regulatory-compliant and competitive. Andrews Kurth’s workforce counsel includes:

- Ensuring compliance with all federal and state employment laws covering discrimination, harassment, safety, disabilities, wages and hours, and family leave
- Training supervisors to recognize workplace issues and deal with them before they become problems
- Preparing effective contracts, noncompete agreements, compensation and benefit plans, hiring and discipline practices, and manuals that help prevent disputes and claims

While preventive measures are always preferable and less disruptive than lawsuits, should disputes arise, Andrews Kurth provides clients with the depth of resources and experience to protect companies from the risks employment litigation poses to a company’s operations, morale and reputation.