



Emerging Companies & Venture Capital

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STRADLEY
RONON

OUR PRACTICE

For decades, Stradley Ronon has been a valued and trusted adviser to emerging companies, entrepreneurs, inventors and the venture capital investment community. We guide companies, founders, investors and other stakeholders through the startup growth cycle, from developing the concept and financing operations to launching, marketing and scaling the product to ultimately achieving a successful exit. In helping our clients transition their ideas and inventions from the whiteboard or research lab to the marketplace, we regularly negotiate with investors, research institutions and other parties. At the same time, our deep experience in structuring and arranging financing for companies at all stages has enabled our team to build an extensive network of angel investors, venture funds and other capital sources, many of which are also clients.

FOR FOUNDERS AND EMERGING COMPANIES

Although our physical offices are in the United States, we recognize that business is global. We regularly advise clients on the best strategies for implementing and structuring international operations, including global protection of their intellectual property. Our integrated, cross-disciplinary approach to servicing our early-stage technology company clients allows us to meet all their legal needs. We frequently serve as our clients' outside general counsel and as a single source of advice on a wide variety of topics, including corporate governance and commercial contracts, financing transactions, intellectual property, tax, employment, compensation and benefits issues, privacy and cybersecurity matters, real estate issues and regulatory compliance. Our early-stage company clients are engaged in the following emerging growth sectors, among others:

- AdTech and Marketing Tech
- AgriTech
- Biotechnology and Pharmaceuticals
- Data Analytics, Machine Learning and Artificial Intelligence
- Digital Health and Health Care IT
- FinTech and Digital Assets
- FoodTech
- Information Technology
- InsurTech

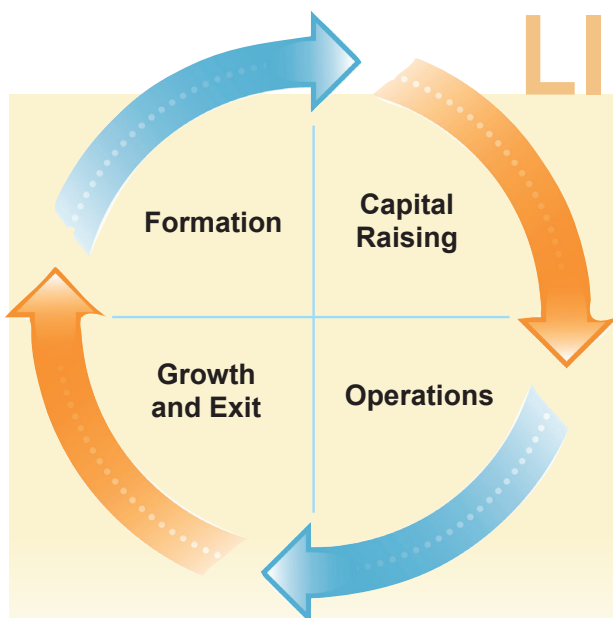
- Life Sciences
- Media and Telecommunications
- Medical Devices
- Mobile Applications
- Privacy and Cybersecurity
- Technology-enabled Professional and Financial Services
- TravelTech
- Veterinary Technology

We actively leverage our relationships with the investing community to benefit our emerging company clients looking to raise capital. We also frequently work with universities and other research institutions to structure lab-developed technologies' spin-outs into newly formed companies to commercialize those innovations in the broader marketplace.

EMERGING COMPANY CHALLENGES/OUR SOLUTIONS

We recognize the distinct challenges technology entrepreneurs and emerging company clients face – seizing on growth opportunities, operating in a competitive landscape, and protecting valuable intellectual property assets, all with limited financial and human capital. Our attorneys work closely with founders and other emerging company clients to provide:

- Cost-effective legal advice that sets their companies up for success from the beginning, from entity formation and tax



LIFE CYCLE

We guide our emerging company hands-on approach and practical,

Formation

- Legal structure and choice of entity
- Business plan review and evaluation
- Tax-saving strategies
- Intellectual property and technology protection
- Executive compensation and incentive arrangements
- Governance, voting and control issues

Capital Raising

- Funding by founders, friends and family
- Seed or angel investments
- Venture capital funding
- Growth-equity investments
- Commercial bank and mezzanine loans
- Asset-based loans and factoring

structuring to documenting arrangements among founders, through formalizing customer and vendor agreements and addressing other operational issues arising out of the growth and success of the business.

- Forward-thinking legal advice regarding the protection and commercialization of intellectual property.
- Market-informed insights into all types of financing transactions.
- Strategic introductions to our established network of angel, family office, venture capital, private equity and investment banking professionals.
- In-depth knowledge of and extensive experience with a full range of exit strategies, including IPOs, SPACs and M&A transactions.
- Seasoned state and federal tax, securities law, and other regulatory compliance guidance.
- Practical advice on navigating the risks arising out of the complex web of privacy, cybersecurity and data protection laws.

FOR INVESTORS

Our team of lawyers is skilled in assisting our angel, family office, venture capital and private equity

investors in analyzing potential investments in light of current market trends, drafting and negotiating investment documents, and managing investment portfolios. Our goal is to provide best-in-class advice to guide our investor clients through the investment process and, once an investment is made, to serve our clients' ongoing legal needs during the investment's life cycle. Our attorneys work closely with our clients to identify, for each potential investment, the legal structure that best serves the client's business strategy, including:

- Founder/Common Stock
- Simple Agreements for Future Equity (SAFEs)
- Convertible Debt
- Preferred Stock
- Venture/Mezzanine Debt
- Warrants
- Joint Ventures and Other Strategic Partnerships

INVESTOR CHALLENGES/ OUR SOLUTIONS

Successful early-stage investors can identify sources of value among the imperfect operations of their emerging company targets. We similarly focus only on issues that are important to our investor clients. We recognize that transaction costs will adversely affect the returns on our clients'

OUR SERVICES

We draw on the resources and experiences of our professionals across a variety of disciplines to provide an integrated set of legal services for emerging companies and investors, including:

- Commercial Contracts
- Corporate Formation and Governance
- Employee Benefits & Executive Compensation
- Employment Law
- Finance and Structured Finance
- Intellectual Property
- Investment Management
- M&A and Joint Ventures
- Privacy and Cybersecurity
- Real Estate
- Securities
- Tax

investments, so we give practical, cost-effective advice tailored to the client's needs. We advise on efficiencies that may be achieved through tax structuring and governance of existing portfolio companies and exit strategies. Driven by our clients' objectives, which are often to maximize value, we provide:

- Strategic evaluation and structuring of initial and follow-on investments.
- Timely risk-management counsel.
- Thoughtful evaluation of intellectual property portfolios of target companies.
- Pragmatic advice on the governance of portfolio companies.
- Value-enhancing strategies for achieving a successful exit.
- Comprehensive outside general counsel services for all portfolio company needs.

and entrepreneurial clients through each stage of the growth cycle with a business-oriented advice.

Operations

- Customer and vendor agreements
- Licensing transactions
- Master services agreements
- Employment arrangements
- Corporate governance

Growth and Exit

- Acquisitions
- Sale transactions
- Joint ventures and strategic alliances
- Initial public offerings

For more information on our Emerging Companies & Venture Capital practice, visit www.stradley.com/emerging-companies.



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ABOUT STRADLEY RONON

For more than 95 years, Stradley Ronon has helped private and public companies – from small businesses to Fortune 500 corporations – achieve their goals. With nine offices and more than 200 attorneys, Stradley Ronon is proud to help companies manage their legal challenges and grow their businesses.

www.stradley.com

LOCATIONS

Pennsylvania
Washington, D.C.
New York
California
New Jersey
Illinois
Delaware



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