

**FOR IMMEDIATE RELEASE**

**May 29, 2018**

## **Channel Partners Capital Closes Majority Equity Investment by Elliott Management Corporation; Secures New Long-Term Credit Facility**

**Minnetonka, MN** – Channel Partners Capital (“Channel”), a leading provider of small business loans, announced today two significant developments to support the company’s growth initiatives. Channel has closed a significant equity investment from funds advised by Elliott Management Corporation (“Elliott”), a leading multi-strategy private investment firm with approximately \$35 billion in assets under management. Elliott’s equity investment will provide Channel with new growth capital to support further expansion of Channel’s portfolio lending capabilities. Elliott’s investment also facilitated a recapitalization with a new expandable asset-backed credit facility led by CIBC Bank USA.

“These agreements both endorse and support our rapid growth strategy for the future, along with an increase in our equity and debt facilities to support \$300 million in annual originations,” said Brad Peterson, CEO of Channel. “With these two strong financial partners, we’re expanding our investments in people, technology platforms and operational enhancements to better assist equipment finance companies in providing growth capital to their own customers.”

Farrukh Iqbal, investment professional at Elliott, added, “Channel has many attributes that we seek in our private specialty finance investing strategy, including a differentiated customer acquisition strategy, strong relationships with its customers and an analytical and disciplined approach to underwriting. With its new, flexible and efficient capital structure, Channel is positioned very well to capitalize on growth opportunities. We are excited to be partnering with the talented team at Channel to support the expansion of Channel’s products, lending channels and portfolio lending capabilities.”

Last year Channel was ranked among the Inc. 500/5000 fastest-growing private companies in the U.S. by Inc. magazine for the fifth straight year.

Along with replacing and expanding a credit facility that Channel signed in 2015, these two new agreements offer Channel improved financial flexibility and reduced costs.

Cadwalader, Wickersham & Taft LLP acted as legal advisor to Elliott. Eversheds Sutherland acted as legal advisor and Middlemarch Partners LLC acted as sell-side advisor to Channel.

### **About Channel Partners Capital LLC**

Based in Minnetonka, Minn., Channel Partners Capital (“Channel”) is a leading provider of small business loans utilizing customized technology and business processes. Channel delivers loans to small businesses through partnerships with equipment finance companies, helping these companies provide their customers access to capital needed to grow their businesses.

Since its founding in 2009, Channel has originated over 7,000 loans generating loan receivables of over \$350 million. Channel is one of a limited number of full-service, non-bank, small business lenders successfully filling the gap in small business credit availability.

For information about financing options or partnership opportunities, visit [ChannelPartnersCapital.com](http://ChannelPartnersCapital.com) or e-mail [information@channelpartnersllc.com](mailto:information@channelpartnersllc.com).

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**About Elliott Management**

Elliott Management Corporation manages two multi-strategy investment funds which combined have approximately \$35 billion of assets under management. Its flagship fund, Elliott Associates, L.P., was founded in 1977, making it one of the oldest funds of its kind under continuous management. The Elliott funds' investors include pension plans, sovereign wealth funds, endowments, foundations, funds-of-funds, high net worth individuals and families, and employees of the firm.

**About CIBC Bank USA**

CIBC, through CIBC Bank USA, provides U.S. clients with tailored commercial, wealth management, personal and small business financial solutions as well as cross-border banking services to clients with North American operations. CIBC is a 150-year-old Toronto-based, global financial institution with U.S. headquarters in Chicago. CIBC has 46 strategically located offices in 18 states with specialty banking businesses that serve clients from coast to coast.

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