

PRINCIPALS' PROFILES DETER DEAL DUE TO REPUTATIONAL CONCERNS

NEW BUYOUT FIRM DESCRIBED AS "LAND OF MISFIT TOYS"

Our client, a conservative investment manager, was considering a partnership with a newly-formed private equity firm and requested background investigations on the company's principals. Gryphon performed extensive public record research and conducted discreet interviews with individuals who previously worked with the subjects.

Former colleagues of the subject told us that, despite being well-connected in the industry, the subjects were not highly-regarded among their peers and lacked requisite successful deal experience. Our discreet interviews included a former high school and college friend of one of the subjects, as well as former supervisors and other colleagues whose work was directly impacted by the subjects' actions and decisions. One former colleague of the subjects described their new firm

as the "land of misfit toys" and several sources contacted advised against engaging in deals with the principals, citing their dishonesty, poor record of success and other issues.

Gryphon also identified civil litigation that had been filed against one of the subjects after his former employer backed out of a deal initiated by subject. The former employer endured lengthy litigation and associated costs and reputational damage as a result of the decisions made by the subject. Further investigation of the subject's prior deals through interviews revealed that they ultimately resulted in significant losses for the former employer.

Our investigation afforded the client with unique insight into the character and professional footprints of the subjects. Armed with Gryphon's findings, the client ultimately declined to invest with the subjects' firm.

GRYPHON'S CLIENT BENEFITS FROM IN-DEPTH INVESTIGATION

The information gathered by Gryphon during the investigation was invaluable to our client. Building on our public record and database research, we provided human intelligence through interviews with industry experts and individuals who had previously worked closely with the subjects of our investigation. Our client was able to make an informed decision about the risks associated with a potential investment.