



Douglas C. Waddoups

Shareholder

Douglas Waddoups is a member of Parr Brown's business transactions group focusing his practice in the areas of general corporate, mergers and acquisitions, private equity financing, debt financing, securities and public offerings.

Waddoups received his Juris Doctor degree from Brigham Young University Law School, Provo, Utah, April 1996 and a Bachelor of Arts from Brigham Young University in April 1993. While in Law School, he served as a Brigham Young University Law Review Member and published *American Vending Services, Inc. v. Morse: The Problem of Defective Incorporation in Utah* in the BYU Law Review, Vol. 1995, no. 1.

He began his career with Skadden, Arps, Slate Meagher & Flom, LLP in Chicago, Illinois from 1996 to 1998 where he represented national and international clients in M&A, securities and cross-border leverage lease transactions. Waddoups worked at Parr Brown from 1998 until 2002 when he left to co-found Precision Time, a specialty watch retailer and repair center with nearly 100 locations nationwide.

During his twelve years at Precision Time, Waddoups served as President/CEO as well as in-house counsel where he led the company through multiple fundraising efforts raising more than \$23 million in equity capital and \$7 million in debt financing. He grew the company from one store to a peak of 120 stores with oversight of site selection, lease negotiations and store construction. He hired and developed the majority of the company's executive team and was responsible for leading the rapid response team during the recession of 2008-2009 which involved closing unprofitable stores, eliminating non profitable business channels and implementing significant cost reductions. During this time, Waddoups was named one of Utah's '40 Under 40 by *Utah Business* magazine and one of vSpring Capital's Top 100 Venture Entrepreneurs.

Mr. Waddoups has been listed in the 2016, 2018-2023 editions of *The Best Lawyers in America*® for Antitrust Law, Commercial Litigation, Construction Law, Corporate Law, Intellectual Property Litigation, Securities Regulation and Mergers and Acquisitions Law. He was named Best Lawyers® "Lawyer of the Year" for Corporate Law (2021) and Antitrust Law (2017) in Utah. He has also been continuously listed in *Utah Business* magazine as one of Utah's Legal Elite in business & corporate law. Mr. Waddoups has been ranked as a top Utah lawyer for corporate

CONTACT INFORMATION

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PRACTICE AREAS

Business and Finance

Corporate Finance

Mergers, Acquisitions, and Divestitures

Private Equity Fund Formation

Securities Regulation and Public Offerings

Franchising

EDUCATION

- ▶ 1996, J.D., Brigham Young University, cum laude, BYU Law Review

BAR ADMISSIONS

- ▶ 1999, Utah

PROFESSIONAL ACTIVITIES

- ▶ Past President/CEO and in-house counsel
Precision Time

law and mergers & acquisitions law 2021 and 2022 by *Chambers USA – America's Leading Lawyers for Business*.

Representative Transactions:

MERGERS AND ACQUISITIONS

- Represented the owners of a Utah based long distance carrier in the sale of the business to a national telecommunications company for approximately \$500 million in cash, stock and assumption of debt.
- Subsequent to the closing of the transaction acted as lead counsel to the national telecommunications company in the acquisition of three other telecommunications companies.
- Represented a medical device manufacture in the acquisition of a smaller company for approximately \$18 million in cash.
- Led the legal team that represented the owners of a packaged dried soup company in the sale of the business for approximately \$25 million in cash plus an “earnout” interest that ultimately provided the owners significant additional consideration.
- Acted as lead counsel to the owner of a cookie company in the sale of the business for approximately \$30 million in cash.
- Represented the owners of a commercial electrical products company in the sale of the business for approximately \$60 million.
- Subsequent to the closing of the transaction acted as local corporate counsel to the new owner on a number of commercial issues.
- Part of a legal team that represented a local transportation company in its successful defense against a hostile tender offer.
- Acted as counsel to Precision Time in the acquisition of four other watch retailers including a transaction with an international retailer that is one of the largest specialty retailers in the world.

EQUITY FINANCING

- Represented numerous companies in equity financing with both private and institutional investors. These transactions had a wide variety of complexity from straight common stock to preferred stock with complicated rights and preferences.
- Represented Precision Time in ten equity financing transactions raising \$23+ million in equity capital. Noteworthy terms of the financings include:
 - o Successive rounds of “angel financing” including the rights and preferences of preferred stock for Series A through E.
 - o Negotiated the terms of a \$11 million investment by a private equity firm. In addition to traditional private equity provisions, the transaction (as well as the Company’s post closing borrowing and financing activities) needed to be structured under Sharia law.
 - o Negotiated the terms of a \$2 million investment in Class A Preferred

Stock with 8% current pay dividend and other rights and preferences

- o Acted as corporate counsel to Precision Time when its majority private equity investor exercised its option and “put” its equity position to the Company. Ultimately negotiated the exit of the private equity partner from the business on favorable terms for the Company.
- o Worked with investment bankers in evaluating the fairness of capital raising transactions as well as the structure, presentation and pitching of the transactions to potential investors.

DEBT FINANCING

- Advised a Utah based start-up bank in developing its lending documents to provide niche loans to rural borrowers under incentives provided by the USDA.
- Acted as lead counsel in the negotiation and documentation of approximately 15 loans.
- Represented a number of borrowers in lending transactions with commercial banks as well as private lenders.
- Represented Precision Time in seven debt financing transactions raising \$7+ million in debt financing (secured and unsecured). Noteworthy terms of the financings include:
 - o Multiple credit facilities with with major banks including lines of credit and term loans.
 - o Structured several financings as asset based sale-leaseback transactions that satisfied Sharia law and mirrored the financial terms of traditional lending while providing lenders adequate protection.
 - o Transactions were with both institutional and private lenders and had a variety of complexities such as interest paid in stock, warrants, conversion to equity rights, intercreditor agreements and subordination agreements.

CORPORATE GOVERNANCE

- Advised the Board of Precision Time with respect to conflict of interest issues and in the proper exercise of fiduciary duties in connection with loan transactions and stock purchases between the Company and shareholders/directors.
- Represented Precision Time with respect to the necessary steps in obtaining approval under Utah law for amending the Company’s articles of incorporation, the creation and issuance of new classes of stock and the approval of major transactions.
- Advised the Board with respect to the proper exercise of fiduciary duties in connection with responding to a private equity fund that elected to exercise its right to “put” its shares back to the company.
- Advised the Board with respect to the proper exercise of fiduciary duties in connection with the Company’s consideration of filing for protection under bankruptcy laws.

- Acted as corporate secretary for the company with responsibility to draft, obtain approval for and keep minutes of all board and shareholder meetings. Prepared and issued all stock certificates and stock ledgers and stock transfer records.

GENERAL CORPORATE & COMMERCIAL TRANSACTIONS

- Represented a large conglomerate of companies in the “migration” from formation under Delaware law to Utah law and in the conversion from corporations to LLCs.
- Represented a national media company in the negotiation of employment agreements for its senior executives and “talent employees” across the country.
- Regularly represented clients on the review of commercial contracts of wide variety.
- Represented Precision Time in hundreds of contracts and commercial transactions relating to every aspect of its business.

BANKRUPTCY AND RESTRUCTURING

- Represented Precision Time when its bank refused to extend the term, or refinance, its \$2 million term loan. Was able to negotiate a “soft landing” payoff that allowed the Company time to obtain replacement financing from the private lending market. Also renegotiated the terms of \$700,000 in junior private financing.
- Represented Precision Time in negotiations to close 23 store locations. Was able to negotiate the termination of the leases (with an average lease term of approximately 5 years) for a termination amount equal to six months occupancy with payments made over two years.
- Represented Precision Time in negotiating rent relief with respect to 85 store locations amounting to aggregate rent relief of approximately \$3.7 million over three years. This represented an annual reduction of rent of approximately 20% per year.
- Represented Precision Time in the restructuring of \$1.5 million of vendor payments. All vendors were paid in full, but over twelve months. Part of the deals negotiated was that vendors would continue to ship product to Precision Time during that year even though the Company wasn’t current.
- In the midst of our restructuring discussions, represented Precision Time in preparing the strategy and completing the documentation for a Chapter 11 filing to be filed in the event that restructuring negotiations failed.

EMPLOYMENT

- Represented Precision Time in numerous employment issues with respect to its 450-500 employees including employment agreements, stock options, noncompetition and confidentiality agreements, FMLA, sexual harassment, wrongful termination, employee theft, workplace rules etc.

REAL ESTATE

- Represented Precision Time in negotiating more than 120 leases for space in regional shopping malls. Represented Precision Time in all subsequent renewals of these leases (several hundred renewals).
- Successfully renegotiated the terms of Precision Time leases during the recession and market down turn.



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