

SEWARD & KISSEL LLP

Seward & Kissel advises CARCO Group, Inc.
on investment by CIP Capital

Seward & Kissel's Business Transactions Group
Focusing on Middle-Market Deals

In September 2016, **CIP Capital** announced its investment in **CARCO Group, Inc.** Seward & Kissel was pleased to represent CARCO Group and its shareholders in this middle-market private equity transaction.

CARCO Group is a leading provider of tech-enabled and compliance-driven human capital management and risk management solutions, offering onboarding and pre-employment background screening solutions to large enterprise clients. CIP Capital is a private equity firm focused on investing in growth-oriented, middle-market companies across the business information and tech-enabled services markets in North America.

Seward & Kissel LLP (www.sewkis.com) is a leading New York law firm, originally established in 1890, offering legal advice emphasizing business, financial and commercial law and related litigation. The firm's Business Transactions Group handles middle-market M&A, private equity, venture capital and joint venture transactions involving a wide variety of industries. The firm is ranked as Highly Regarded for Corporate/M&A by Chambers USA and is recommended by The Legal 500 in the middle-market M&A category, stating that Seward & Kissel “advises on market-leading transactions within the industries where the firm has an international reputation, namely investment management and shipping” and “also handles complex middle-market deals in the media industry and international sell-side M&A.”



New York, New York

has invested in



Holtsville, New York

Seward & Kissel
acted as counsel to CARCO Group

SEWARD & KISSEL LLP

September 2016

The press release describing this transaction is reproduced below for your information.

For more information about Seward & Kissel, contact:

Jim Abbott 212-574-1226 abbott@sewkis.com

Craig Sklar 212-574-1386 sklar@sewkis.com

Nick Katsanos 212-574-1382 katsanos@sewkis.com

Meir Grossman 212-574-1242 grossman@sewkis.com

Gerhard Anderson 212-574-1689 anderson@sewkis.com

CIP Capital Completes Investment in Human Capital Management Platform

September 9, 2016 – CIP Capital has completed an investment in CARCO Group, Inc. (“CARCO” or the “Company”), a leading provider of tech-enabled and compliance-driven human capital management and risk management solutions. The Company’s core solution offering provides robust onboarding and pre-employment background screening services to the large enterprise market. CARCO currently serves clients across the financial services, transportation, and media and telecom end-markets, among others. CARCO was founded in 1977 and is headquartered in Holtsville, NY.

“We are delighted to announce this strategic partnership with CIP Capital for the next stage of our company’s growth,” said James Owens, CEO of CARCO. “CARCO has been setting the standard for accurate and reliable background screening services since our inception almost 40 years ago. By providing a comprehensive and technology-driven solution, CARCO has become the recognized leader in serving corporations throughout the employee hiring process. CIP Capital has demonstrated a deep understanding of our business model and how CARCO uniquely serves our valued clients to meet their human capital management and risk management needs. We look forward to making continued investments that will further develop and expand our solution offering in order to better serve our client base.”

“CARCO represents an exciting opportunity for CIP Capital in the growing human capital management market,” said Scott Marden, Managing Partner of CIP Capital. “We believe large corporations will continue to seek best-in-class providers to assist with risk management and compliance solutions across the employee lifecycle.” CARCO represents CIP Capital’s second investment in the human capital management space. Bobby Kelly, Managing Director of CIP Capital, added: “CARCO has differentiated itself in the market through its high-quality and accurate processes, commitment to regulatory compliance, and leading technology capabilities. We look forward to partnering with Jim and the CARCO management team to build on their strong client relationships and stellar reputation.”

Sidley Austin LLP served as legal counsel to CIP Capital. JEGI served as financial advisor and Seward & Kissel LLP served as legal counsel to CARCO.

About CARCO:

CARCO is a leading provider of tech-enabled and compliance-driven human capital management and risk management solutions. The company’s core onboarding and preemployment background screening offering provides clients with a high quality, regulatory compliant, and tech-enabled solution. CARCO currently serves clients across the financial services, transportation, and media and telecom end-markets, among others, and offers transportation clients a comprehensive, industry-focused solution through its Driver iQ branded

offering. CARCO is headquartered in Holtsville, NY and has office locations in Spring Lake, NC, Tulsa, OK, and Tustin, CA. For more information please visit: www.carcogroup.com.

About CIP Capital:

CIP Capital is a New York based private equity firm focused on investing in growth-oriented, middle-market companies across the Business Information and Tech-Enabled Services markets in North America. The fund seeks to invest in proven, profitable businesses that provide their customer bases with critical information, proprietary content, and value-added outsourced services. Targeted sectors for investment include business services, marketing services, and knowledge services. For more information please visit: www.cip-capital.com.

About Seward & Kissel LLP

Seward & Kissel LLP, founded in 1890, is a leading U.S. law firm with an international reputation for excellence. We have offices in New York City and Washington, D.C.

Our practice primarily focuses on corporate, litigation and restructuring/bankruptcy work for clients seeking legal expertise in the financial services, corporate finance and capital markets areas. The Firm is particularly well known for middle-market, cross-border M&A transactions and for its representation of major commercial banks, investment banking firms, investment advisers and related investment funds (including mutual funds and hedge funds), hedge fund administrators, broker-dealers, institutional investors and transportation companies (particularly in the shipping industry).

Notices

This document may be considered attorney marketing and/or advertising. Prior results do not guarantee a similar outcome. The information contained in this document is for informational purposes only and is not intended and should not be considered to be legal advice on any subject matter. As such, recipients of this document, whether clients or otherwise, should not act or refrain from acting on the basis of any information included in this document without seeking appropriate legal or other professional advice. This information is presented without any warranty or representation as to its accuracy or completeness, or whether it reflects the most current legal developments.

To ensure compliance with Treasury regulations regarding practice before the IRS, we inform you that, unless expressly stated otherwise, any federal tax advice contained in this communication was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of (i) avoiding penalties that may be imposed on the taxpayer under United States federal tax law, or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.