



Charles H. Krebs

Associate
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Lexington, KY
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Charles focuses his practice on transactions and general corporate matters. He works with corporations, LLC's, non-profits and partnerships ranging from start-ups to publicly traded companies, and assists these clients across various industries with issues such as mergers and acquisitions, private securities offerings, corporate governance and corporate benefits issues.

He has significant experience dealing with employee benefits and ERISA compliance matters, including advising clients on employee benefits issues in connection with their corporate transactions (including 409A, Affordable Care Act, COBRA and general plan qualification and compliance issues). Charles also advises and assists clients with their equity compensation needs, including stock option plans, profits interest plans and other equity-based compensation arrangements. His work includes drafting summary plan descriptions and other general benefits documents for benefit plans.

Prior to joining Dinsmore, Charles served as a missionary to Fiji for two years and worked with HELP International in Fiji. He is currently the chartered organization representative for the Boy Scouts of America Troop 205 in Lexington and serves on the district's finance committee.

Services

- Corporate & Transactional
- Franchise & Distribution
- ESOPs
- Capital Markets
- Mergers & Acquisitions
- Executive Compensation
- Compensation & Benefits
- Natural Resources Industry
- Gaming & Sports Industry

Education

- University of Kentucky College of Law (J.D., *cum laude*, 2015)
 - Order of the Coif
 - Kentucky Law Journal, sixth circuit blogger
- Brigham Young University (B.A., *cum laude*, 2012)
 - Communications

Bar Admissions

- Kentucky

Affiliations/Memberships

- Kentucky Bar Association
- Fayette County Bar Association

Distinctions

- Kentucky *Super Lawyers*®
- *Best Lawyers*®, Ones to Watch, Corporate Law; Employee Benefits (ERISA) Law; Entertainment and Sports Law; Mergers and Acquisitions Law (2021)

Experience

Complex ESOP Transaction

We counseled a global manufacturer of additives for lead acid batteries through a complex ESOP transaction intended to provide liquidity to the company's shareholders. This transaction involved a collaborative team of Dinsmore attorneys across practice groups who worked closely with ESOP trustee counsel, the lender's counsel, and other environmental and financial advisors. The team oversaw the company's due diligence, in particular its specialized environmental due diligence, conducted a tender offer due to the relatively sizeable number of shareholders involved, and constructed the ESOP plan and other ancillary plan documents. We ultimately finalized a plan and consummated the transaction enabling our client to achieve its goal of a sustainable balance between what is best for its business, employees, shareholders, and community.

Outside Counsel for Nonprofit Horse Rescue

Saddlebred Rescue, Inc. (SBR) is a non-profit horse rescue based in New Jersey. We serve as SBR's outside counsel and advise on corporate governance and non-profit best practices. We also prepare adoption agreements and advise on a variety of issues related to fundraising, social media, and staffing.

Represented a Private Equity Firm During Their \$20-Million-Plus Acquisition

We served as lead counsel to a private equity firm in connection with a portfolio acquisition of a designer and fabricator of architectural LED lighting fixtures for a purchase price in excess of \$20,000,000. The transaction financing utilized a capitalization structure that included rollover equity, co-investment and senior and subordinated debt, and also involved significant cross-border issues.

Represented Coal Company in Acquisition of Mines

Dinsmore, led by Tom Rubenstein and Jason Sims, represented Coronado in a \$420 million transaction that included 14 other attorneys from various practice groups within the firm. In the transaction, Coronado acquired the Buchanan Mine Complex in Southwest Virginia along with the idled Amonate Complex and additional undeveloped metallurgical coal reserves in Southwest Virginia and Pennsylvania from CONSOL Energy, Inc.

Dinsmore acted as lead counsel in the transaction and was responsible for nearly all legal issues concerning the transaction, including advising the client on environmental, tax, labor and employment, employee benefits and real estate issues.

This particular coal transaction involved complex issues because CONSOL Energy retained rights to the natural gas on these properties, which required Dinsmore to assist Coronado in the negotiation of cooperation agreements related to the properties and advising Coronado on the proper structure for the transaction based on the continuing relationship that will exist between Coronado and CONSOL Energy after the consummation of the transaction.

Coronado significantly increased its capacity with this acquisition and now has an enhanced position in the markets it serves with a greater ability to serve its customers and increase its overall sales.

Blackhawk Mining Acquires Patriot Coal Corporation

In October 2016, a transaction closed in which Blackhawk Mining (Blackhawk) purchased most of the assets of Patriot Coal Corporation (Patriot) out of bankruptcy. Dinsmore served as counsel to the acquirer, Blackhawk, who had previously purchased other portions of Patriot's assets in 2014.

The acquisition resulted from Patriot filing bankruptcy for the second time in three years, which added several layers of complexity to the transaction. Many parties were involved in the deal, including among others, the sellers, lenders, creditors, lessors, suppliers, and the United Mine Workers of America, whose existing contract with Patriot was rejected and replaced with a new contract negotiated with Blackhawk. Blackhawk's bid was selected as the stalking horse offer, but several other interested buyers submitted competing offers, and an aggressive auction process ensued.

The total value of the transaction approached \$1 billion. In addition to a multi-tiered financing structure involving the issuance of new equity securities in Blackhawk and the restructuring of Patriot's and Blackhawk's prior loan facilities with over \$900,000,000 in new debt, the deal involved the assumption by Blackhawk of substantial reclamation and other liabilities, the posting of new bonds with state environmental authorities, and agreements to perform reclamation work on mining sites purchased from Patriot by the Virginia Conservation Legacy Fund.

"This was a very large and difficult transaction, which took months of work by numerous attorneys and staff in many departments and office locations," said Susan Zaunbrecher, Corporate Department Chair. "The team of Dinsmore attorneys worked cohesively for our client, and, in the end, beat out a lot of impressive competition."

Most of the six active mining complexes in the acquisition are located in West Virginia, with additional properties and mines in Kentucky, Ohio, Indiana and Illinois. Blackhawk saw the Patriot acquisition as an opportunity to

expand its presence in the metallurgical coal market, as a complement to its prominent position as a producer of thermal coal.

“The demand for all coal is down significantly,” said Chauncey Curtz, Chair of the Natural Resources Group. “As a result of this deal, our client is well-positioned to survive the downturn and enjoy continued success as a low cost producer of both thermal and metallurgical coal for many years to come. That’s the most important thing to us.”