

---

## Cahill Advises Broadridge in Sale of Clearing Business to Penson

**Date:** 11/02/09

Cahill served as M&A counsel to Broadridge Financial Solutions, Inc. in connection with the sale of Broadridge's correspondent clearing business to Penson Worldwide, Inc., a leading provider of technology products and services to the financial services industry.

The transaction involved the sale of the correspondent clearing and execution business of Broadridge's subsidiary Ridge Outsourcing & Clearing Solutions, Inc. to Penson for approximately \$60-\$70 million, helping Broadridge to realize its strategic goal of exiting the clearing business in order to exclusively focus on opportunities associated with securities processing and operations outsourcing services. Approximately one-third of the consideration to be received by Broadridge will be in the form of Penson common stock, while the balance will be in the form of a five-year subordinated seller note from Penson. In addition, Broadridge has agreed to provide up to \$50 million in the form of an 18-month subordinated note to provide additional regulatory capital for Penson, if Penson is not able to obtain those funds from other sources. The transaction also includes an outsourcing services contract whereby Broadridge will provide certain technology and processing functions to Penson for its US, Canadian and UK securities clearing brokers as well as a joint selling agreement to cross-sell Broadridge's outsourcing services and Penson's securities clearing services globally.

These transactions are expected to close within six months.

---

### Attorney

- Craig M. Horowitz