



NEW MOUNTAIN CAPITAL LLC

## **Ontario Systems Announces Investment from New Mountain Capital**

*Leading Investment Firm Poised to Help Software Provider Achieve Next Level of Growth*

**MUNCIE, IN (August 22, 2019)** – Ontario Systems (“Ontario”, or “the Company”), a leading provider of enterprise software that automates complex workflows and accelerates revenue recovery for clients in the healthcare, accounts receivable management (ARM), and government markets, has entered into a definitive agreement to partner with New York-based New Mountain Capital, a leading growth-oriented investment firm with over \$20 billion in assets under management. With its purchase of a majority share in Ontario Systems, New Mountain Capital will replace Arlington Capital Partners as the Company’s largest investor. Terms of the transaction were not disclosed.

Founded in 1980, Ontario Systems has nearly 500 employees in 28 states and serves its customers from its headquarters in Muncie, IN, and additional offices in Vancouver, WA, and Albuquerque, NM. Ontario Systems counts among its customers 600+ hospitals—including five of the 15 largest hospital networks—that actively manage over \$40 billion in receivables collectively, as well as eight of the 10 largest ARM companies and more than 600 federal, state, and municipal government clients in the U.S. Together, Ontario Systems’ customers handle more than \$170 billion in payments annually. In recent years, Ontario Systems has enjoyed record revenues, profitability, and growth by helping clients simplify their operations, lower costs, and recover more revenue.

“This is an exciting time in Ontario’s history, and partnering with New Mountain Capital is a natural step in our progression as we continue to execute on company-wide strategic initiatives,” said Jason Harrington, President of Ontario Systems. “The New Mountain team’s expertise in growing software businesses will be invaluable as we look to deepen our revenue cycle management (RCM) offerings and continue providing our customers market-leading solutions they have come to trust. Building on the momentum of this transaction, I look forward to working closely with New Mountain to unlock unique growth opportunities.”

“Ontario exemplifies New Mountain’s longstanding investment thesis of backing best-of-breed solutions providers addressing critical pain points in revenue recovery and workflow management,” said Matt Holt, Managing Director and Deputy Head of Private Equity at New Mountain Capital. “We look forward to supporting Ontario’s continued growth by identifying both organic and inorganic initiatives to help the Company realize its full potential.”

“In an effort to better serve our own teams and customers and keep pace with available technology, our business continuously evolves, but some things remain the same,” said Casey Stanley, Vice President of Marketing and Business Development at Ontario Systems. “Our existing strategy of investing in and around Muncie, as well as our other locations, remains unchanged—as does our focus on our people, our customers, and our communities. We look forward to our new relationship with New Mountain Capital and where we can go together.”

The transaction is expected to close on August 30, 2019. Law firm Ropes and Gray LLP acted as legal advisor to New Mountain. New York-based investment company Eir Partners served as an advisor on the transaction.

“Ontario Systems marks the fifth platform company collaboration between Eir Partners and New Mountain in less than four years. The value proposition at the customer level is simple – cash acceleration and improved employee experience and productivity,” said Brett Carlson, Founder and CEO of Eir Partners. “From this attractive starting point, we have built an accelerated growth and transformation strategy and look forward to partnering with Jason and the rest of the Company to execute on this plan.”

“Our relationship with Arlington Capital Partners has been outstanding,” said Ron Fauquher, CEO and Co-Founder of Ontario Systems. “With Arlington’s assistance, we have successfully expanded our healthcare-market footprint, entered government markets, doubled our revenues, and expanded our reach to include more than 1,200 clients. We are proud of our progress and achievement of the goals we had previously set, and we thank Arlington for their support in helping drive our strategic growth initiatives. As we take the next evolutionary step, we look forward to New Mountain Capital’s support and partnership.”

### **About Ontario Systems**

Established in 1980, Ontario Systems is a leading provider of enterprise software designed to improve operations and revenue recovery for clients in the healthcare industry and the accounts receivable management (ARM) market as well as federal, state, and local governments. Headquartered in Muncie, IN, with additional offices in Vancouver, WA, and Albuquerque, NM, and 500+ employees in 28 states, Ontario Systems offers a full portfolio of leading software platforms including the Artiva family of products, FACS, TCS, RevQ®, and Ontario Omni®. Ontario Systems serves 600+ hospital network customers—including 5 of the 15 largest hospital networks—that actively manage over \$40 billion in receivables collectively, as well as 8 of the 10 largest ARM companies and more than 600 federal, state, and municipal government clients in the U.S. Ontario Systems' portfolio also includes Justice Systems solutions such as FullCourt Enterprise™, whose integrated technologies empower state and local governments to manage court cases, process online payments, and automate revenue recovery processes.

To learn more about Ontario Systems, visit [www.ontariosystems.com](http://www.ontariosystems.com) or [www.justicesystems.com](http://www.justicesystems.com).

### **About New Mountain Capital**

New Mountain Capital is a New York-based investment firm that emphasizes business building and growth, rather than debt, as it pursues long-term capital appreciation. The firm currently manages private equity, public equity, and credit funds with over \$20 billion in assets under management. New Mountain seeks out what it believes to be the highest quality growth leaders in carefully selected industry sectors and then works intensively with management to build the value of these companies. For more information on New Mountain Capital, please visit [www.newmountaincapital.com](http://www.newmountaincapital.com).

### **About Eir Partners**

Eir Partners is a New York City-based investment company and strategic partnership focused exclusively on the dynamic healthcare and technology marketplace. Eir's flexible model allows for customized collaboration to accelerate disruption, innovation and growth through direct investment and the augmentation of strategic development and acquisition sourcing. The investment model allows for direct platform investments as the sole investor or alongside strategic or other blue-chip private equity institutions. Targeted stages of investment include growth equity through control buyouts. For more information on Eir, please visit [www.eirpartners.com](http://www.eirpartners.com).

### **About Arlington Capital Partners**

Arlington Capital Partners is a Washington, DC-based private equity firm that is currently investing out of Arlington Capital Partners V, L.P., a \$1.7 billion fund. The firm has managed approximately \$4.0 billion of committed capital via five investment funds. Arlington is focused on middle market investment opportunities in growth industries including healthcare, government services and technology, aerospace & defense, and business services and software. The firm's professionals and network have a unique combination of operating and private equity experience that enable Arlington to be a value-added investor. Arlington invests in companies in partnership with high quality management teams that are motivated to establish and/or advance their Company's position as leading competitors in their field. [www.arlingtoncap.com](http://www.arlingtoncap.com)