Contents

Preface	xi
Acknowledgments	xv
CHAPTER 1	
Why Go Public?	1
Advantages of Being Public	1
Disadvantages of Being Public	4
Weighing the Pros and Cons	8
And so	8
CHAPTER 2	
Pre-2012: The History of Regulation A and the Death	
of Small-Company IPOs	10
Regulation A—Not Too Popular Before 2012	10
Reg A Through the Years	12
Why Small Companies Struggled to Go Public Before the JOBS Act	14
Reg A versus Private Offering Under Regulation D	18
And so	21
CHAPTER 3	
The JOBS Act and Its Genesis	22
	22
"Old" Regulation A Feldman First Proposes "Peg A+" at SEC Conference	24
Development and Enactment of the JOBS Act	26
Other Key Elements of the JOBS Act	28
Reg A+ Title IV Language	31
And so	33
CHAPTER 4	
The SEC's Rules Under Title IV Regulation A+; Court Challenge	35
SEC's Reg A+ Rule Proposal	36
Comment Process	43
Final Reg A+ Rules	43
States' Failed Lawsuit Against the SEC	46
And so	47
CHAPTER 5	
Offering Statement and Light Reporting Preparation; Testing the Waters	49
Offering Statement Preparation	51
Light Reporting Preparation	54

•••	
V111	Contents
V 111	Contents

Testing the Waters And so	57 58
CHAPTER 6	
Early Experience with Regulation A+; Wall Street Partners with Main Street	59
Who Is Utilizing Reg A+?	59
Attractive Industries	65
And so	66
CHAPTER 7	
Potential Changes to Regulation A	67
OTC Markets Petition	67
Blue Sky Issues	69
Testing-the-Waters Issues	70
Other Issues	72
And so	75
CHAPTER 8 Basics of Reverse Mergers Overview of Reverse Mergers IPOs versus Reverse Mergers A Little History, Rule 419, and Subsequent Rulemakings	
Basics of Reverse Mergers	77
Overview of Reverse Mergers	78
IPOs versus Reverse Mergers	79
A Little History, Rule 419, and Subsequent Rulemakings	82
The Importance of Due Diligence in Reverse Mergers	86
And so	87
CHAPTER 9	
Troubled Industry: China, Seasoning Rules, Bogus Shells	89
The China Bubble Pops	90
The SEC Responds with Draconian Seasoning Rules	94
Bogus Shells and Prosecutions	96
And so	99
CHAPTER 10	
The Future of Reverse Mergers	100
Reverse Merger, Then CTC Trading	101
Bypass Seasoning with \$40MM Public Offering	102
Merger with an Operating Public Company	102
The Real Risks of Using Bogus Shells	104
The Future Supply and Cost of Shells	106
And so	107
CHAPTER 11	
Special Purpose Acquisition Companies (SPACs)	108
Introduction to SPACs: The GKN Experience	109
The First SPAC Resurgence—Bubble and Bust	111
SPACs' Recent Return	113
What Is the Future of SPACs?	114
And so	116

Contents

CHAPTER 12	
Self-Filings	118
How Do Shares of Stock Become Tradable?	118
Self-Filing Through Form S-1 Resale Registration	121
Mechanics of Form S-1 Self-Filing	122
Self-Filing Through Form 10 Registration	126
And so	128
CHAPTER 13	
Other IPO Alternatives	129
Intrastate Exemption	130
Rule 504	130
Regulation S	132
And so	133
CHAPTER 14	
The Experts Speak—A Look Ahead	135
Current Political and Economic Environment	136
Current Developments	137
And so	143
CHAPTER 14 The Experts Speak—A Look Ahead Current Political and Economic Environment Current Developments And so About the Author Index	145
Index	147
Index	14/
200	
A. **	
Mr.	
7	

MID: NAME OF STREET OF STR