

## WHAT IS REGULATION A+ OFFERING?

Regulation A+ (Reg A+) is an alternative to a traditional IPO, which makes it easier for smaller, early stage companies to access capital. Reg A+ was part of the JOBS Act passed by Congress in 2012 to encourage small business growth in the US.

Reg A+ falls into a middle ground between private capital raise options like **Regulation D**, and public options like an IPO, but presents its own unique benefits to issuers.

### THROUGH REG A+, A U.S. OR CANADIAN COMPANY IS AFFORDED THE OPPORTUNITY TO:

- Raise up to \$50 million in a 12-month period using a “public solicitation” of its shares and have the offering be exempt from SEC and state securities law registration.
- Confidentially submit its offering memorandum to the SEC and enjoy the opportunity to “test the waters” before pursuing a mini-IPO.
- Enjoy a streamlined, expedited review process where the company is required to make its offering memorandum public just 21 days before SEC qualification and the beginning of its roadshow.
- Combine public funding (through Reg A+) with private funds from venture capitalists to create a larger round of fundraising.

### DIFFERENCES BETWEEN REG A+ AND REG D

Reg A+	Reg D
Non-accredited investors can invest	Accredited investors only
Raise up to \$50 million in a 12-month period using a “public solicitation” of its shares and have the offering be exempt from SEC and state securities law registration.	Reg D enables businesses to raise capital from accredited investors without registering with the SEC
Sold by prospectus	Sold by private placement memorandum

### SOLD BY PROSPECTUS

- No required minimum capital raise goal (unless listing on NASDAQ or NYSE)
- Shorter document preparation time
- Lower legal and filing fees
- Total issuer process can take up to 20 weeks

#### For Broker Dealer & RIA Use Only

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