

EXERCISE**REGISTERED AND UNREGISTERED OFFERINGS*****Background***

The general counsel of one of your clients, a US private company, calls to let you know that the company is interested in raising money through a securities offering. The company is planning to raise at least \$50 million to fuel growth and they're deciding between going public and staying private.

She tells you that the board has asked her to brief them on the types of offerings the company can consider, and she'd like your help in preparing for the meeting as she doesn't have a strong securities background.

She tells you that she's most interested in discussing the following:

- The advantages and disadvantages of public offerings and private placements.
- The types of private placements that the company can consider.
- Any limitations or other factors that she should be aware of if the company chooses to raise money through a private placement.
- What the main securities laws are that she'll need to be aware of in both a public offering and a private placement.

Instructions

Come prepared to discuss what you'll tell the general counsel to help her prepare for her meeting with the board.