JOBS Act IPO On-Ramp Accommodations

The following chart summarizes the accommodations made available to emerging growth companies (EGCs) as a result of the JOBS Act.

	PRIOR TO JOBS ACT	UNDER THE JOBS ACT
FINANCIAL INFORMATION IN SEC FILINGS	3 years of audited financial statements	2 years of audited financial statements
	 2 years of audited financial statements for smaller reporting companies 	 Not required to present selected financial data for any period presented in connection with an IPO
		• Within 1 year of IPO, EGC would report 3 years of audited financial statements
CONFIDENTIAL SUBMISSIONS OF DRAFT IPO REGISTRATION STATEMENT	 Confidential submissions now available to all issuers as a result of SEC staff policy, but confidentiality is not incorporated into legislation or regulations 	• EGCs (including FPIs that are EGCs) may submit a draft IPO registration statement for confidential review prior to public filing, provided that such submission and any amendments are publicly filed with the SEC not later than 15 days before the EGC conducts a "road show"
COMMUNICATIONS BEFORE AND DURING THE OFFERING PROCESS	 Limited ability to "test-the-waters"; now, all companies may test the waters 	• EGCs, either prior to or after filing a registration statement, may "test-the-waters" by engaging in oral or written communications with QIBs and institutional accredited investors to determine interest in an offering
AUDITOR ATTESTATION	 Auditor attestation on effectiveness of internal control over financial reporting required in second annual report after IPO 	Transition period for compliance of up to 5 years
INTERNAL CONTROLS	Non-accelerated filers not required to comply	
ACCOUNTING STANDARDS	 Must comply with applicable new or revised financial accounting standards 	 Not required to comply with any new or revised financial accounting standard until such standard applies to companies that are not subject to Exchange Act public company reporting
		 EGCs may choose to comply with non-EGC accounting standards but may not selectively comply
EXECUTIVE COMPENSATION DISCLOSURE	 Must comply with executive compensation disclosure requirements, unless a smaller reporting company (which is subject to reduced disclosure requirements) 	• May comply with executive compensation disclosure requirements by complying with the reduced disclosure requirements generally available to smaller reporting companies
	 Required to calculate and disclose the median compensation of all employees compared to the CEO 	 Exempt from requirement to calculate and disclose the median compensation of all employees compared to the CEO
		FPIs entitled to rely on other executive compensation disclosure accommodations
SAY ON PAY	 Must hold non-binding advisory stockholder votes on executive compensation arrangements 	 Exempt from requirement to hold non-binding advisory stockholder votes on executive compensation arrangements for 1 to 3 years after no longer an EGC
	Smaller reporting companies are currently exempt from say on pay	

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