Title:
What is Rule 15c211 and Reverse Merger.

Word Count:
444

Summary:
Rule 15C211 Under SEC Rule 15C211, a U.S. securities broker or dealer may not publish a quotation for any security unless certain information concerning the issuer is available and the broker or dealer has a reasonable basis for believing that the information is accurate. The information requirement is satisfied, in simple terms, if:

Keywords:
15c211, reverse merger, direct public offering, regulation d, pink sheets

Article Body:
15c211 Was designed to allow fully reporting public companies to have their securities quoted on the Over-The-Counter Bulletin Board (“OTCBB”) by filing some simple disclosure.

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1) a Securities Act registration statement (F-6, F-1) has been filed within the last 90 days,

2) the issuer is complying with filing requirements and has in its records the issuer's most recent annual report,

3) the issuer is complying with Rule 12g3-2(b),

4) the broker or dealer has on record information relating to the issuer, its securities, its business, products and facilities. Management information, financial statements of the issuer and certain other data must also be on record.

Form 15C211, also known as Form 211, refers to the specific filing form a broker/dealer must provide containing the information necessary to publish a quotation on the company. For more information visit: www.genesiscorporateadvisors.com

Reverse merger: A reverse merger is a method by many of our small and mid-cap companies to initially go public, is the purchase of, and reverse merger into, an existing public shell company. This is inexpensive compared with conventional Initial public offerings (IPO). this is also a simplified fast track method by which a private company can become a public company.

In a reverse merger, an operating Private company merges with a public company that has little or no assets, nor known liabilities (the "shell"). In some rare instances, the shell may have some amount of cash remaining for investment into the new enterprise. The public corporation is called a "shell" since all that exists of the original company is its corporate shell structure and shareholders. The private company owners obtain the majority of the shell corporation's stock (usually 90-95%) through a new issue of stock for the private enterprise or asset.

The public corporation will normally change its name to the private company's name and elect a new Board of Directors which will appoint the officers. The public corporation will usually have a base of shareholders sufficient to meet the 300 shareholder requirement for eventual admission to quotation on the NASDAQ Small Cap Market or American Stock Exchange (if the private company's financial condition substantiates other NASDAQ or AMEX requirements), although some shells have as few as 35-50 shareholders, and are currently listed (or can apply for listing) on the OTC Bulletin Board or the NQB Pink Sheets.

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