

# Top 10 Practice Tips: Registered Direct Offerings

A Practical Guidance® Practice Note by Anna Pinedo and Ziv Schwartz, Mayer Brown LLP



Anna Pinedo  
Mayer Brown LLP



Ziv Schwartz  
Mayer Brown LLP

This practice note outlines key considerations and procedural elements involved in conducting a Registered Direct Offering (RDO), a type of public securities offering typically marketed to institutional and accredited investors. The practice note begins by explaining the hybrid nature of RDOs, which combine features of public and private offerings, and highlights their appeal for issuers seeking discreet market access. This note discusses the structural aspects of RDOs, including the use of shelf registration

statements, the absence of over-allotment options, and the role of placement agents. It also addresses regulatory requirements such as escrow arrangements under Rule 15c2-4, the necessity of filing appropriate prospectus supplements, and the negotiation of placement agency agreements. Additional topics include the potential use of subscription agreements, compliance with NYSE and Nasdaq 20% shareholder approval rules, and the implications of the Baby Shelf Rule for issuers with smaller public floats. The document further explores settlement procedures through the Depository Trust Corporation and the application of Regulation M, emphasizing the placement agent's role as a statutory underwriter. Overall, the document serves as a comprehensive guide for legal counsel navigating the complexities of RDOs, focusing on procedural and regulatory frameworks rather than offering substantive legal advice.

Click [here](#) for full access to this Practical Guidance® document.

---

**Anna Pinedo, Partner, Mayer Brown LLP**

Anna Pinedo represents issuers, investment banks and other financial intermediaries as well as investors in financing transactions, including public offerings and private placements of equity, equity-linked and debt securities. She also advises on structured products and derivatives matters.

Anna works closely with financial institutions to create and structure innovative financing techniques, including new securities distribution methodologies and financial products. She has particular financing experience in certain industries, including technology, telecommunications, healthcare, financial institutions, REITs and consumer and specialty finance. Anna has worked closely with foreign private issuers in their securities offerings in the United States and in the Euro markets. She also works with financial institutions in connection with international offerings of equity and debt securities, equity- and credit-linked notes, and hybrid and structured products, as well as medium term note and other continuous offering programs.

In the derivatives area, Anna counsels a number of major financial institutions acting as dealers and participants in the commodities and derivatives markets. She advises on structuring issues as well as on regulatory issues, including those arising under the Dodd-Frank Act. Her work focuses on foreign exchange, equity and credit derivatives products, and structured derivatives transactions. Anna has experience with a wide range of transactions and structures, including collars, swaps, forward and accelerated repurchases, forward sales, hybrid preferred stock and off-balance sheet structures. She also has advised derivatives dealers regarding their Internet sites and other Internet and electronic signature/delivery issues, as well as on compliance matters.

**Ziv Schwartz, Associate, Mayer Brown LLP**

Ziv Schwartz is an associate in the New York office of Mayer Brown and a member of the Corporate & Securities practice.

Ziv received his doctoral degree from the University of Chicago Law School. He also holds an LL.M. degree from the University of Chicago Law School and an LL.B., *magna cum laude*, from the Hebrew University in Jerusalem.

Prior to joining Mayer Brown, Ziv served as a law clerk to the Honorable Constandinos Himonas of the Utah Supreme Court and to the Honorable Salim Joubran of the Supreme Court of Israel. Ziv was also an associate at a prominent Israeli law firm.

This document from Practical Guidance®, a comprehensive resource providing insight from leading practitioners, is reproduced with the permission of LexisNexis®. Practical Guidance includes coverage of the topics critical to practicing attorneys. For more information or to sign up for a free trial, visit [lexisnexis.com/practical-guidance](https://www.lexisnexis.com/practical-guidance). Reproduction of this material, in any form, is specifically prohibited without written consent from LexisNexis.

---