# Overview Section And Risk Factor Captions

the summary section and the opening of a risk factors section in a draft registration statement, checked against the drafting rules and the issuer's own record | Final specimen

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A summary renamed rather than rewritten, a subcaption that does not describe the risk under it, generic risks left among the specific ones, and a page count that requires a second document.

## FINAL TEXT

SPECIMEN, PREPARED BY EDITFAST FOR ILLUSTRATION. NOT A REAL FILING. Prepared for Calder Instrument Corporation (fictitious), draft registration statement, summary and risk factors

EXTRACT FROM THE ISSUER'S RECORD (reproduced unchanged in both panels)

IR-1 The section headed Overview contains summary business and financial information and is the only summary in the document.

IR-2 The risk factors discussion runs to 22 pages in the current draft.

IR-3 The document contains no separate summary of principal risks.

IR-4 Counsel has identified three risks as specific to the company: supplier concentration, a single manufacturing site, and an expiring distribution agreement.

IR-5 Counsel has identified two risks as generic to any issuer in any offering: general economic conditions, and volatility in the trading market for newly listed securities.

IR-6 Adjusted Contribution is defined in the glossary at the back of the document.

IR-7 The offering has no pricing information section, and the document carries a summary section.

OVERVIEW

The Company earned a positive Adjusted Contribution in each of its three most recently completed fiscal years. It may not do so in future years.

[Query to the issuer: IR-6 places the definition of Adjusted Contribution in the glossary at the back. Paragraph 421(b)(3) asks that a glossary not be the primary means of explaining, and a short gloss at first use would answer that. What the measure means is the issuer's to state, so no wording is proposed.]

[Query to the issuer: IR-2 records the risk factors discussion at 22 pages and IR-3 records no summary of principal risks. Item 105(b) calls for a series of concise, bulleted or numbered statements of no more than two pages in the forepart where the discussion runs longer than 15 pages. Which risks are principal is the issuer's determination, so the list is raised rather than drafted here.]

RISK FACTORS

We depend on a limited number of suppliers.

We operate a single manufacturing facility.

Our distribution agreement expires.

General Risk Factors

General economic conditions may affect us.

The trading market for newly listed securities can be volatile.