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## Course Information

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**Course Title:** Investor Relations Guidebook #361823

**Number of continuing education credit hours recommended for this course:**

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

**CPA:** 15 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

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New York State Board of Accountancy (ethics): 002146

Ohio State Board of Accountancy: M0021

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

### Course Description

A public company should communicate with the investment community, to clarify how it creates value and to set expectations for its performance. The *Investor Relations Guidebook* is a valuable resource for dealing with investors. It delves into the construction of a value proposition for a business and how to communicate it to investors, as well as how to conduct an earnings call and provide guidance. The course also describes the various types of SEC filings, how to organize an annual shareholder meeting, the mechanics of road shows, and the steps involved in an initial public offering. In short, the *Investor Relations Guidebook* is the go-to resource for anyone wanting to engage in investor relations.

### Course Content

Publication/Revision date: 2/13/2023.

Author: Steven M. Bragg, CPA.

Final exam (online): Seventy-five questions (multiple-choice).

**Program Delivery Method:** NASBA QAS Self-Study (interactive)

**Subject Codes/Field of Study:** Finance

## Course Level, Prerequisites, and Advance Preparation Requirements

Level: Overview

Prerequisites: Basic familiarity with accounting practices.

Advance Preparation: None

### Instructions for Taking This Course

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- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

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## Learning Objectives

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- Recognize the components of the investor relations officer position.
- Specify the methods available for improving the value proposition of a business.
- Identify the methods used to communicate with the investment community.
- State the methods used to comply with Regulation FD.
- Cite the participants in and contents of an earnings call.
- Specify the circumstances under which guidance is used and not used.
- State the reasons for and applicability of a safe harbor provision.
- Cite the information to include in and features of an investor relations website.
- Identify the participants in and purpose of the sell side and buy side.
- Specify the investing strategies used by investors.
- Cite the short selling methods used, and how to deal with short sellers.
- Identify the listing requirements for the major stock exchanges.
- Specify the techniques used to manage shares.
- Identify the contents of the financial statements and various SEC filings.
- Identify the activities required to plan for and conduct an annual meeting.
- Cite the steps and special rules involved in an initial public offering, as well as alternative ways to go public.
- Specify the concept of restricted stock and how it can be avoided.
- Recognize the rules pertaining to the sale of shares under Rule 144.
- State the participants in a road show, and note how it is conducted.
- Identify the different types of investor relations services that are available to a company.
- Recognize the predictive capabilities of share performance measurements, and the analysis uses to which they can be put.

## About the Author

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**Steven Bragg, CPA**, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado.

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# Preface

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When a company is publicly held, it has an obligation to communicate with the investment community on a regular basis. Doing so raises general awareness of the business and creates an understanding by investors of how a company generates value. *The Investor Relations Guidebook* reveals how a business should structure its investor relations function to enhance communications with the outside world.

In Chapters 1 and 2, we provide an overview of investor relations and how to construct the value proposition that forms the basis for communicating a company's message. In Chapters 3 through 8, we describe many forms of communication, as well as the impact of Regulation FD on how information is disseminated, and whether to issue guidance. In Chapters 9 through 11, we discuss the investment community, including the roles of the buy side and sell side, the investment strategies most commonly employed by investors, and the world of short sellers. In Chapters 12 through 15, we explore the mechanics of how a publicly held company operates, including stock exchanges, share management, the various types of SEC filings, and how to organize an annual shareholder meeting. We then move on to a discussion of fund raising activities in Chapters 16 through 18, with emphasis on the initial public offering and the road show. We conclude with discussions of third party investor relations services and share performance measurements in Chapters 19 and 20, respectively.

You can find the answers to many questions about investor relations in the following chapters, including:

- How do I derive a value proposition for a business?
- How do I deal with members of the media?
- How does Regulation FD impact the investor relations function?
- How is an earnings call structured?
- Under what conditions should a company provide guidance?
- What information should be included in an investor relations web site?
- What are the listing requirements for the major stock exchanges?
- What is float management?
- What are my options for dealing with short sellers?
- What information is included in SEC filings?

*The Investor Relations Guidebook* is designed for both professionals and students. Professionals can use it as a reference tool for conducting investor relations activities, while it provides students with an overview of how the department should operate. Given its complete coverage of investor relations, *The Investor Relations Guidebook* may earn a permanent place on your bookshelf.

Centennial, Colorado  
February 2023