

THE DEALFLOW POWER 20

AN ANNUAL COMPILATION OF THE GREATEST INFLUENCERS IN THE SMALL CAP MARKET

SPECIAL EDITION

REPORT.DEALFLOWMEDIA.COM

2012

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Not many of us would say that these are good times in the small cap financing market. But it is possible that years from now, we may look back on 2012 as an important time, when new leaders stepped up and new innovations took hold.

This list is our attempt to identify some of the most important people in the small cap financing market. And choosing the Power 20, at this time, has been an interesting exercise.

The market is starting to rebound from the depths of the financial crisis. Some of the players who dominated the market for years have been swept away, while others seem to be stepping up to fill the void.

At the same time, some players are looking to offer new ways for companies to raise capital and for investors to put money to work. They're looking to exploit perceived flaws in how U.S. capital markets are structured. And their efforts may be aided by the Jumpstart Our Business Startups Act and other regulatory changes. If these entrepreneurs are successful, the small companies of the future may have many more options.

These may be hard times for small companies – both public and private – looking to raise capital and for the professionals who serve them. But it may be that many of those professionals' efforts today are setting the stage for better times to come.

-A.S.

The DealFlow Power 20 are:

- **Carson Block** - Founder, Muddy Waters Research
- **Michael Bodson** - Chief Executive Officer, Depository Trust and Clearing Corp.
- **David Bukzin** - Partner-in-Charge, Marcum LLP
- **Jon Carnes** - Blogger, AlfredLittle.com
- **R. Cromwell Coulson** - Head of OTC Markets
- **James Doty** - Chairman, PCAOB
- **Chris Ehrman** - SEC Microcap Fraud Working Group
- **Dr. Phillip Frost** - Founder, Frost Gamma Investments
- **Ramnarain "Joe" Jaigobind** - Global Head of Equity Capital Markets, Aegis Capital Corp.
- **Harvey Kesner** - Partner, Sichenzia Ross Friedman Ference
- **Eleazer Klein** - Partner, Schulte Roth & Zabel
- **Martin Kobinger** - President, Heights Capital Management
- **Carter Mack** - President, JMP Group
- **Rep. Patrick McHenry** - Author, Crowdfunding Legislation in the JOBS Act
- **David Nussbaum** - Founder, EarlyBirdCapital
- **Kevin Raidy** - Head of Capital Markets, Cowen and Co.
- **Naval Ravikant** - Co-founder, AngelList
- **Barry Silbert** - Founder and CEO, SecondMarket
- **Joseph Smith** - Partner, Ellenoff Grossman & Schole
- **Michael Vasinkevich** - Founder, DirectMarkets

Eleazer Klein

Partner, Schulte Roth & Zabel



Eleazer Klein, a partner with the law firm **Schulte Roth & Zabel**, has been the top legal adviser to PIPE investors this year.

His firm has advised investors on at least 60 PIPEs worth \$2.03 billion, as of early October. New York-based Schulte Roth also was the top adviser to PIPE investors in 2010 and 2009, having advised on 92 deals worth \$2.43 billion and 87 deals worth \$3.47 billion, respectively.

Klein is known for his expertise in the development of alternative investment structures for private equity investments and the structuring of PIPEs, registered direct offerings, convertible 144A offerings, reverse mergers, equity lines and special purpose acquisition companies. He has been working on about 200 PIPE transactions a year for some of the largest private investment groups. He also advises on initial public offerings, secondary offerings, venture capital financing, activist investing, and regulatory issues with short selling.

This year, Klein has advised **Riverwood Capital** on a \$50 million investment in a PIPE by **Lighting Sciences Group (LSCG)**. He also advised **Hudson Bay Capital Management** and **Tenor Capital Management** on their \$42.5 million and \$7.5 million investments in **A123 Systems (AONE)**.

Klein received his law degree from Yale Law School and was a senior editor of *The Yale Law Review*.