

**Pricing the offering and determining the offering size.** On the day before the registration becomes effective and sale commences the offering is priced. The investment banker should recommend a price for the company's approval, taking into account the company's performance, the stock price of competitive companies, the success of the road show, and general market and industry conditions. The investment banker will also consult with the company regarding the size of the offering, considering such factors as the amount of capital required, investor demand, and the desired retention of control over the corporation.