

IRA Investing Brings More and Higher-Value Investors to InSitu Biologics

When InSitu Biologics, Inc. opened its Reg A+ pre-revenue equity offering to IRA investors in 2018, company President and CEO Jim Segermark quickly realized he was attracting new investors to the capital raise that wouldn't have invested without the IRA option.



Jim Segermark

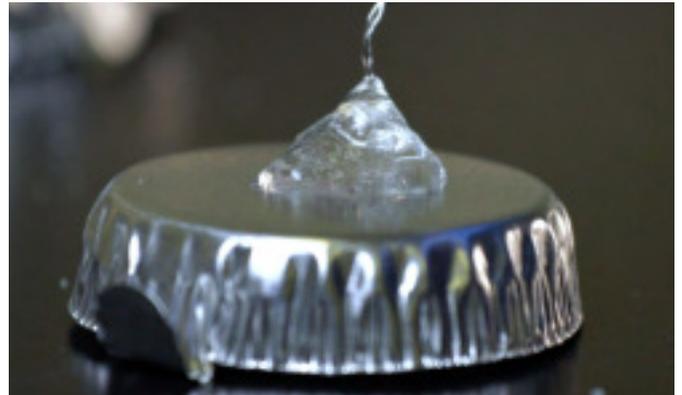
"All of our IRA investors have transferred in; no one has used new money to open their IRA account," Segermark said. "We wouldn't have gotten those investments if they hadn't been able to use their IRA money."

Equally important, Segermark noted, is that the size of investments made by people using tax-advantaged IRAs through Equity Trust Company has been significantly larger, on average, than those investing with cash. The amount of InSitu's average non-IRA investment has been about \$12,000 he said, compared with about \$35,500 for IRA users.

"The reality is that there's a lot of forgotten cash in IRAs. People tend to have cash in their IRAs that they aren't actively utilizing, and some decide there's no better place for it than the higher-risk part of their portfolio," he explained.

InSitu Biologics is an emerging biotech company focusing on the development of AnestaGel™, a long-lasting and long-acting non-opiate painkiller expected to be used in post-operative surgical procedures. In the midst of a large Reg A+ round, Segermark anticipates that investments will reach \$10 million in 2019.

Segermark is a firm believer in the benefits of investing through tax-advantaged accounts. Having been a personal [Equity Institutional](#) client for many years, holding several accounts invested in real estate assets, he approached the company to learn how he could offer IRA investing opportunities as part of his capital raise strategy. "It's more than just IRAs that investors are looking to utilize, and SEPs are desirable vehicles, too," he noted.



He attributes finding some new investors to the banner advertising provided to InSitu by Equity Institutional, and uses them in email campaigns, on Facebook, LinkedIn and Instagram. The ads contain a custom, trackable link and direct prospective investors to a landing page on InSitu's website. Segermark indicates that 10% of the individuals that visit the page seeking additional IRA investing information end up investing in the company.

Segermark disputes the perception that IRA investing is more difficult than traditional investments. "Literally, it's a few more pieces of paper we have to fill out," he said. "The process for the investor is virtually the same."

Segermark is very pleased with his decision to incorporate IRAs into his investment options, and with Equity Institutional. "For us, it's been a great experience working with Equity Institutional," Segermark said. "It's meant larger investments and investments we wouldn't have gotten if we were only accepting cash."

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