

You think venture capitalists are greedy already? Wait until I tell you about the next term section.

Clint: What is an initial public offering shares purchase?

Jason: Well, it's something that came out in the Dot Com era. The idea was that when a company was going public, the venture firms are actually able to buy shares of the company they are already invested in at the public offering price in the hopes that the price would run up the venture capitalist would be able to double down, sell shares and make even more money.

In other words, yes, we like to buy insider stock and we're greedy. It's been in term sheets forever. No one has really paid attention to it in about a decade. It shows up in every deal and if I am going to vote on one term that would go extinct in the term sheet, it's this one.