

TECOGEN INC.  
Form S-3  
July 07, 2016

As filed with the Securities and Exchange Commission on July 7, 2016  
Registration No. 333-

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

TECOGEN INC.  
(Exact name of registrant as specified in its charter)  
Delaware 27-5250881  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

Tecogen Inc.  
45 First Avenue  
Waltham, MA 02451  
(781) 466-6400  
(Address, including zip code, and telephone number,  
including area code, of registrant's principal executive offices)

David A. Garrison Chief Financial Officer Tecogen Inc. 45 First Avenue Waltham, MA 02451 Tel: (781) 466-6400/Fax: (781) 622-1027	Copy to: Edwin L. Miller Jr. Sullivan & Worcester LLP One Post Office Square Boston, MA 02109 Tel: (617) 338-2800/Fax: (617) 338-2880
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(Name, address, including zip code, and telephone number, including area code, of  
agent for service)

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☐

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If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer: ☐ Accelerated filer: ☐ Non-accelerated filer: ☐ Smaller reporting company: ☒

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered <sup>1</sup>	Proposed Maximum Offering Price per Unit <sup>2</sup>	Proposed Maximum Aggregate Offering Price <sup>2</sup>	Amount of Registration Fee
Common Stock, par value \$0.001 per share	1,763,871	\$5.00	\$8,819,355.00	\$888.11

- In accordance with Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this registration
- (1) statement shall be deemed to cover any additional securities to be offered or issued from stock splits, stock dividends or similar transactions with respect to the securities being registered.
- Estimated pursuant to Rule 457(c) under the Securities Act of 1933, as amended, solely for purposes of calculating the registration fee, based upon the average of the high and low prices per share as reported on the NASDAQ
- (2) Market on July 6, 2016. The proposed maximum offering price per share of common stock will be determined from time to time by the selling stockholders, named herein, or such additional selling stockholders, as may be named in one or more prospectus supplements, in connection with, and at the time of, the sale by such selling stockholders of the shares of common stock registered hereunder.

TECOGEN INC. HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL TECOGEN INC. SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated July 7, 2016

## PROSPECTUS

### 1,763,871 Shares of Common Stock by the Selling Stockholders

This prospectus relates to the public offering, which is not being underwritten, by the selling stockholders of Tecogen Inc identified in this prospectus and such additional selling stockholders as may be named in one or more prospectus supplements (collectively, the "Selling Stockholders") of 1,763,871 shares of our common stock, \$0.001 par value, from time to time in amounts, at prices and on terms that will be determined at the time of the offering. The common stock being registered does not include any special rights or preferences. Tecogen Inc will not receive any of the proceeds from the offer and sale of the shares.

The Selling Stockholders may sell shares of our common stock, to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. This prospectus describes some of the general terms that may apply to these shares of common stock. The specific terms of any securities to be offered will be described in one or more supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest. Our registration of the securities covered by this prospectus does not mean that the Selling Stockholders will offer or sell any shares of our common stock.

Tecogen Inc's common stock is traded on the NASDAQ Market under the symbol "TGEN". The last reported sales price of the common stock on the NASDAQ Market on July 6, 2016, was \$5.00 per share.

Our business and an investment in the securities offered hereby involve significant risks. See "Risk Factors" beginning on page 3 of this prospectus, in our periodic reports filed from time to time with the Securities and Exchange Commission, or the SEC, including in our most recent Annual Report on Form 10-K for the year ended December 31, 2015, or the Annual Report, and in the applicable prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We are an "emerging growth company," as that term is used in the Jumpstart Our Business Startups Act of 2012, the JOBS Act, and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings.

The date of this prospectus is \_\_\_\_\_, 2016

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION DIFFERENT FROM THAT CONTAINED IN THIS PROSPECTUS. WE ARE OFFERING TO SELL, AND SEEKING OFFERS TO BUY, SHARES OF COMMON STOCK ONLY IN JURISDICTIONS WHERE OFFERS AND SALES ARE PERMITTED. THE INFORMATION CONTAINED IN THIS PROSPECTUS IS ACCURATE ONLY AS OF THE DATE OF THIS PROSPECTUS, REGARDLESS OF THE TIME OF DELIVERY OF THIS PROSPECTUS OR OF ANY SALE OF OUR COMMON STOCK. IN THIS PROSPECTUS, REFERENCES TO THE "COMPANY," "TECOGEN," "WE," "US" AND "OUR" REFER TO TECOGEN INC., A DELAWARE CORPORATION, AND ITS SUBSIDIARIES.



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ABOUT THIS PROSPECTUS

In this prospectus, references to “the Company,” “we,” “us,” “our,” “the registrant” or other similar terms refer to Tecogen Inc. or Tecogen.

You should rely only on the information contained in or incorporated by reference in this prospectus, any accompanying prospectus supplement or in any related free writing prospectus filed by us with the Securities and Exchange Commission (the “SEC”). We have not authorized anyone to provide you with different information. This prospectus and the accompanying prospectus supplement do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in the accompanying prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. You should assume that the information appearing in this prospectus, any prospectus supplement and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

Our logo, trademarks and service marks are the property of the Company. Other trademarks or service marks appearing in this prospectus are the property of their respective holders.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated by reference herein, contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Such forward-looking statements involve substantial risks and uncertainties. All statements, other than statements of historical fact, included in this prospectus regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects and plans and objectives of management are forward-looking statements. The words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that the expectations underlying our forward-looking statements are reasonable, these expectations may prove to be incorrect, and all of these statements are subject to risks and uncertainties. Therefore, you should not place undue reliance on our forward-looking statements. We have included important risks and uncertainties in the cautionary statements included in this prospectus, particularly the section called “Risk Factors” below and incorporated by reference herein from our SEC filings. We believe these risks and uncertainties could cause actual results or events to differ materially from the forward-looking statements that we make. Should one or more of these risks and uncertainties materialize, or should underlying assumptions, projections or expectations prove incorrect, actual results, performance or financial condition may vary materially and adversely from those anticipated, estimated or expected. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



## ABOUT THE COMPANY

Tecogen® Inc. ("Tecogen" or the "Company") designs, manufactures, markets, and maintains high efficiency, ultra-clean cogeneration products including natural gas engine-driven combined heat and power, air conditioning systems, and water heaters for residential, commercial, recreational and industrial use. Through patented technology, the Company's cost-efficient, environmentally-friendly, and reliable products for distributed power generation nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

Tecogen's natural gas powered cogeneration systems (also known as combined heat and power, or "CHP") are efficient because they drive electric generators or compressors, which reduce the amount of electricity purchased from the utility while recovering the engine's waste heat for water heating, space heating, and/or air conditioning at the customer's building.

Tecogen manufactures three types of CHP products:

- Cogeneration units that supply electricity and hot water, including the InVerde® 100, InVerde e+®, CM-75 and CM-60;
- Chillers that provide air-conditioning and hot water marketed under the TECOCHILE® brand name; and
- Ilio® branded high-efficiency water heaters.

All of these are standardized, modular, CHP products that reduce energy costs, carbon emissions, and dependence on the electric grid. Tecogen's products allow customers to produce power on-site in parallel with the electric grid, or stand alone when no utility grid is available via inverter-based black-start capability. Because our CHP systems also produce clean, usable heat energy, they provide economic advantages to customers who can benefit from the use of hot water, chilled water, air conditioning and heating.

Traditional customers for our cogeneration and chiller systems include hospitals and nursing homes, schools and universities, health clubs and spas, hotels and motels, office and retail buildings, food and beverage processors, multi-unit residential buildings, laundries, ice rinks, swimming pools, factories, municipal buildings, and military installations; however, the economic feasibility of using our systems is not limited to these customer types. Market drivers include the price of natural gas, local electricity rates, environmental regulations, and governmental energy policies, as well as customers' desire to become more environmentally responsible.

Through our factory service centers in California, Connecticut, Massachusetts, Michigan, New Jersey, and New York our specialized technical staff maintain our products via long-term service contracts. The Company has shipped over 2,300 units, some of which have been operating for almost 25 years.

Our CHP technology uses low-cost, mass-produced engines, which we modify to run on natural gas. In the case of our mainstay cogeneration and chiller products, the engines are cost-effective and reliable. In 2009, in response to the changing regulatory requirements for stationary engines, our research team developed an economically feasible process for removing air pollutants from the engine exhaust. This technology's U.S. and foreign patents were granted beginning in October 2013, and additional domestic patent applications are still pending. This ultra clean emissions technology, which we have branded Ultera™, repositions our engine driven products in the marketplace, making them comparable environmentally with other technologies such as fuel cells, but at a much lower cost and greater efficiency. Because of this breakthrough design for emission control, our natural gas-fueled CHP modules fitted with the patented Ultera control technology are certified by the California Air Resources Board ("CARB") as meeting its stringent 2007 emissions requirements, the same emissions standard used to certify fuel cells and the same emissions levels as a state-of-the-art central power plant. We now offer our Ultera emissions control technology as an option on all our products or as a stand-alone application for the retrofitting of other rich-burn spark-ignited reciprocating internal combustion engines.

Tecogen products are designed as compact modular units that are intended to be installed in multiples when utilized in larger CHP plants. The majority of our CHP modules are installed in multi-unit sites with applications ranging up to 12 units. This approach has significant advantages over utilizing single larger units, allowing building placement in constrained urban settings and redundancy to mitigate service outages. Redundancy is particularly relevant in regions where the electric utility has formulated tariff structures that include high "peak demand" charges. Such tariffs are common in many areas of the country, and are applied by such utilities as Southern California Edison, Pacific Gas and Electric, Consolidated Edison of New York, and National Grid of Massachusetts. Because these tariffs are assessed based on customers' peak monthly demand charge over a very short interval, typically only 15 minutes, a brief service



outage for a system comprised of a single unit can create a high demand charge and therefore be highly detrimental to the monthly savings of the system. For multiple unit sites, a full system outage that will create a high demand charge is less likely, so consequently, these customers have a greater probability of capturing peak demand savings.

In December 2015, the Company launched a joint venture, Ultra Emissions Technologies Limited ("ULTRATEK"), in conjunction with a group of European strategic investors to develop the Ultra emissions control technology for the automotive market. Tecogen contributed an exclusive license for use of Ultra in the automotive space to ULTRATEK, and the strategic partners have committed to financing the initial research, development and testing of a viable product.

In April 2016, the Company entered into numerous private placement share exchange agreements (the "Share Exchange Agreements") with shareholders (the "Exchanging Shareholders") of Ilios Inc., a majority owned subsidiary of the Company ("Ilios"). Pursuant to the Share Exchange Agreements, the Exchanging Shareholders agreed to exchange every 7.86 of their restricted Ilios shares of common stock for 1 share of the Company's restricted common stock. In addition, the Company granted each Exchanging Shareholder registration rights of the Company's common stock they received in exchange for their Ilios shares. Pursuant to the Share Exchange Agreements, the Company issued 576,321 shares of its common stock in exchange for shares of common stock of Ilios.

On May 19, 2016, the Company entered into a joint venture agreement (the "JVA") with Tedom a.s., a corporation incorporated in the Czech Republic ("Tedom"). Tedom is a European combined heat and power product manufacturer. Each of the Company and Tedom will hold a 50% participating interest in the joint venture. In connection with the JVA, the parties agreed to create a Delaware limited liability company, TTcogen LLC ("TTcogen"), to carry out the terms of the JVA. Under the terms of the JVA, Tedom granted to TTcogen the sole and exclusive right to market, sell, offer for sale, and distribute certain products as agreed to by the parties throughout the United States. Tecogen agreed to refer all appropriate sales leads to TTcogen regarding the products agreed to by the parties, and Tecogen shall have the first right to repair and maintenance the products sold by TTcogen.

Our principal executive offices are located at 45 First Avenue, Waltham, Massachusetts 02451, and our telephone number is 781-466-6400.

#### RISK FACTORS

Investing in our securities involves risk. Please see the risk factors under the heading "Risk Factors" in our Annual Report, as revised or supplemented by our quarterly reports on Form 10-Q filed with the SEC since the filing of our Annual Report, all of which are on file with the SEC and are incorporated by reference in this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus and any prospectus supplement. The risks and uncertainties we have described are not the only ones facing the Company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

#### USE OF PROCEEDS

We will not receive any of the proceeds from the sale by any Selling Stockholder of the common stock covered by this prospectus. The principal purpose of this offering is to register shares issued to the Exchanging Shareholders pursuant to the Share Exchange Agreements and certain other long term shareholders in multiple private placements.

## SELLING STOCKHOLDERS

The following table sets forth the number of shares beneficially owned by each Selling Stockholder as of July 7, 2016 and the number of shares that may be offered by each Selling Stockholder pursuant to this prospectus. We have assumed, when calculating the numbers in the table, that all of the shares owned by each Selling Stockholder and offered pursuant to this prospectus will be sold, but each Selling Stockholder may not sell any or all of the shares that are being offered by such Selling Stockholder pursuant to this prospectus.

As of July 6, 2016, there were 19,160,943 shares of Company common stock outstanding.

	Shares owned before the offering		Number of Shares Being Offered	Shares owned after the offering	
Name of Beneficial Owner <sup>(3)</sup>	Number of Shares	Percentage of Outstanding Common Stock		Number of Shares	Percentage of Outstanding
Directors, Executive Officers and Affiliates					
John N. Hatsopoulos <sup>(4)(5)(6)</sup>	3,846,165	20.1%	127,226	3,718,939	19.4%
George N. Hatsopoulos <sup>(7)</sup>	3,605,541	18.8%	50,890	3,554,651	18.6%
Patricia Hatsopoulos <sup>(8)</sup>	28,225	*	100	28,125	*
Robert Panora <sup>(9)</sup>	163,350	*	163,350	—	*
Michaelson Capital Special Finance Fund LP <sup>(10)</sup>	1,197,536	6.2%	890,207	307,329	1.6%
Charles T. Maxwell <sup>(11)</sup>	100,000	*	25,000	75,000	*
Company Employees					
Joseph Gehret	6,361	*	6,361	—	*
Jeff Glick	19,672	*	6,361	13,311	*
John Freeman	3,180	*	3,180	—	*
Jean Roy	3,180	*	3,180	—	*
Ann Marie Pacheco	1,272	*	1,272	—	*
Jeff Glick <sup>(12)</sup>	6,950	*	6,950	—	*
David Pigeon <sup>(12)</sup>	13,758	*	7,800	5,958	*
Additional Selling Shareholders					
Jeremy Benjamin	113,613	*	63,613	50,000	*
Nettlestone Enterprises Ltd	76,335	*	76,335	—	*
Aliki & Daphne Nikolaidis	50,890	*	50,890	—	*
Giordano Venzi	10,178	*	10,178	—	*
Fabio Mioni					