

Questions to Ask

1. What experience do you have?
2. What is your registration/license number?
3. Have you ever been disciplined by a securities regulator, filed for bankruptcy, or had a tax lien filed against you?
4. What products and services do you offer?
5. What are the main negatives about this investment recommendation? Is it liquid?
6. What are your commissions or fees? Any extra charges?
7. Are you paid extra from the issuer or company?
8. What is your approach to investing?
9. Where will my money be held?
10. Do you understand my goals and risk tolerance?
11. Do you contact me before making a trade?
12. How will you put my best interest first?

Contact Us

To verify registrations, file a complaint or inquire about statutes or rules:

Investigator on Duty

602-542-0662

SecuritieDiv@azcc.gov

To arrange investor education presentations or request materials:

Investor Education Coordinator

602-542-0428

For general information on wise investing and fraud prevention, visit:

www.azcc.gov/azinvestor

**Ask and check
before you invest!**



For additional information, contact:

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ARIZONA CORPORATION COMMISSION

Securities Division



**Questions to
Ask an
Investment
Professional**

Set Investment Objectives

Because investing in securities involves an element of risk and can be quite complex, selecting the right person to give you advice or manage your money is essential in achieving your investment goals.

Before you can select someone, you need to develop your **investment objectives**. Are you primarily interested in long-term growth, a steady income stream, tax savings, quick profits, or some combination of these.

Next, determine your **risk tolerance** so you can sleep well at night. Your personal financial situation is your best guide to formulating investment objectives. For example, if you have good income or if you are relatively young and willing to take risk for larger gains down the road, a “growth through capital appreciation” strategy might be appropriate. Conversely, if you are a senior citizen living on a fixed income, your main goal might be regular payments to cover living expenses.



Before You Choose

Before you choose an investment professional, generate a “candidate” list of potential professionals by asking for recommendations from people you trust or inquire with professional associations. Find out how the investment professional is different from others.

Verify the candidate’s registration/licensure status and possible disciplinary history of the individual or company with the Securities Division. Conduct a general online search of the professional. Also, visit the website www.azcc.gov/azinvestor and find links to the **BrokerCheck** or the **Investment Adviser Public Disclosure** databases.

Schedule an interview with each candidate and ask questions listed in this brochure. Request to review the adviser’s brochure and 2b supplement. Also, ask for a sample copy of an investment plan to see if it’s clear and understandable to you.

Fraud Prevention Tips

1. Look for excessive account activity, fees and surrender charges.
2. Fill out forms accurately and completely. Do not submit signed documents to be later filled out by the investment professional.
3. Require written documentation of all agreements and transactions; Keep files in a secure place.
4. Read the agreement and offering documents; take note of the risk disclosures. If you do not understand the terms, do not sign on the dotted line.

Unscrupulous Activity

Although most professionals are honest, some make mistakes, or worse yet, take advantage of your trust. Always keep a record of phone conversations and maintain a correspondence file of your account’s activity. Regularly check your account statements for the following:

- Excessive account activity
- Excessive fees and surrender charges
- Unauthorized trading
- Unsuitable recommendations
- Failure to execute trades

If a Problem Arises

After examining your account statement, and you notice something irregular or unauthorized, contact your investment professional immediately with questions and insist on getting answers in writing.

If your complaint is not adequately addressed, the next step is to contact the compliance officer or manager. Consider mediation or arbitration if your complaint is not resolved satisfactorily.

Contact the **Investigator on Duty** of the Commission’s Securities Division at **602-542-0662** to file a complaint or send an email at SecuritiesDiv@azcc.gov. A convenient link to an online complaint form is available at www.azcc.gov/azinvestor in the Ask & Check section.