

As an investor, you should:

1. Be on guard when someone uses testimonials from group members to promote an investment opportunity.
2. Be wary of promises of high returns with little to no risk.
3. Avoid feeling pressured to make a decision about the investment.
4. Receive a copy of all agreements and risk disclosures.
5. Understand the terms and conditions of the contract.
6. Ask a neutral, third party to evaluate the investment.
7. Focus on how you can get out of the investment and not just the potential financial gains.
8. Contact the Commission's Duty Officer at the Securities Division to verify registration and disciplinary history of the investment promoter to find out if the investment is permitted to be sold, or to file a complaint.

To verify registration or file a complaint

Duty Officer

602-542-0662

SecuritiesDiv@azcc.gov

To arrange investor education presentations or request materials:

Investor Education Coordinator

602-542-0428

info@azinvestor.gov

For general information on wise investing and fraud prevention, visit

www.azcc.gov/azinvestor

**Ask and check
before you invest!**



Securities Division, Third Floor
Arizona Corporation Commission
1300 W. Washington St.
Phoenix, AZ 85007

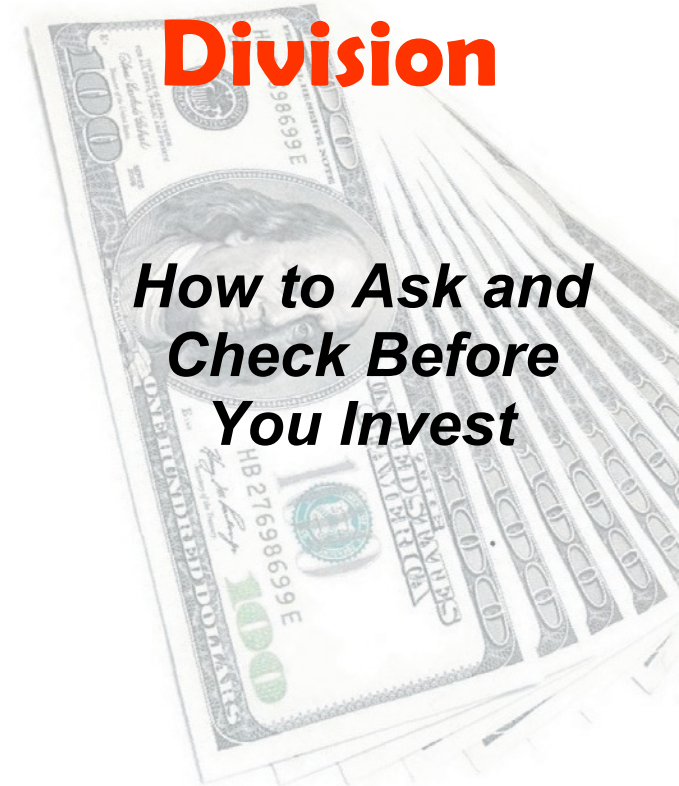
Toll Free: 1-866-VERIFY-9 (837-4399)

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ARIZONA CORPORATION COMMISSION

Securities Division

**How to Ask and
Check Before
You Invest**



Why Ask & Check?

Before making any investment decision, you will need get some background information. Most investors, however, neglect this important process either because they don't know where to get background information or they think a check isn't necessary since they know the salesperson. As a result, some investors e surprised to find out the person or company is not authorized to sell investments. Here are four important steps on how to ask and check before you invest:

Step 1: Get it in writing!

Whatever you are told about the company, the salesperson and the investment, get what you are told in writing. Anyone selling you an investment, should provide to you an offering memorandum—a complete description of the investment and the people and risks involved with the investment. Read it. If the memorandum makes your eyes glaze over, consult with a neutral, third party who can explain it to you.



Questions to Ask

Step 2: Ask Questions!

When you are dealing with someone who claims to be licensed or registered, ask for answers to the following questions in writing:

- ✓ What is your registration or license number?
- ✓ What commission or fee will you earn if I buy the investment?
- ✓ Who or what entity will be paying you?
- ✓ Will you be receiving any benefit other than a commission?
- ✓ Are you related to or involved with the investment in any other way than selling it?
- ✓ Have you been sued, filed for bankruptcy or had any complaints filed against you?

Step 3: Check with a regulator!

Verify the salesperson's license or registration status and possible disciplinary history by contacting the Investigator on phone at **602-542-0662** or toll free in Arizona, **1-866-VERIFY9 (837-4399)** or by email at **SecuritiesDiv@azcc.gov**. Also, it is important to check on the company as well since it may have legal action taken against it that does not necessarily name an individual.

Online Resources

Step 4: Do an Online Search!

It is important to conduct an online search for objective information about the investment and the company. Review more than one source to obtain all the information you can before making a final decision. Most importantly, check the public records of the following Arizona government agencies:

Office of the Arizona Attorney General
www.azag.gov

Arizona Department of Real Estate
www.re.state.az.us

Arizona Department of Insurance
www.azinsurance.gov

**Arizona Corporation Commission
Corporations Division**
www.ecorp.azcc.gov

Arizona corporations are required by law to file annual reports with the Corporation Commission. Determine if the company is in good standing with filed annual reports that list financial, officer and director information. Note that registration as a limited liability company (LLC) does not mean the company is automatically authorized to offer and sell investments to the public.