

INVESTOR DOS AND DON'TS

Listed below is the 10-point investor checklist recommended by the National Securities Markets Commission.

- 1 Hard facts**
Base your investment decisions on hard facts, not rumours or tips. Remember it is unlawful to buy or sell securities with insider information which is not available to other investors.
- 2 Duly registered entity**
Put off the decision to invest in securities offered via internet, telephone or in a "surprise visit" until you have all the information in writing and are sure that the offeror represents a duly registered entity.
- 3 Be wary of an easy profit**
Don't forget that it is your savings that you are investing. Be wary of sellers who try to pressure you into a quick decision or who promise an easy profit.
- 4 Only registered with the NSMC**
Request and check the credentials of unknown persons or entities seeking to sell you securities; remember that only organisations registered with the National Securities Markets Commission are empowered to conduct this kind of operation.
- 5 Official Prospectus**
Weigh up carefully any advice or opinions received from third parties. Ask your intermediary for the official documentation on file with the National Securities Markets Commission (Prospectus), and don't make any decision until you are fully acquainted with the characteristics of the financial product proposed.
- 6 Future success**
Remember that the past success of an investment is no guarantee of its future success.
- 7 Higher-than-market returns**
Be particularly wary of investing in securities offering higher-than-market returns or whose presumed yield is based on their exemption from tax or some associated tax benefit.
- 8 Only registered with the NSMC**
Request and check the credentials of unknown persons or entities seeking to sell you securities; remember that only organisations registered with the National Securities Markets Commission are empowered to conduct this kind of operation.
- 9 Speculative bets**
Remember that speculative bets are only advisable for those who understand and can manage the risks involved.
- 10 Contractual document**
Note that your relationship with investment services providers must be formalised in a contractual document. Request their tariff lists so you know the fees and expenses applicable to your transactions and remember, also, that your intermediary must provide you with regular updates on your investments and the expenses incurred in their administration and custody, as well as details on each settlement made in respect of your transactions or the investment services provided.