

## **Background Information Regarding Securities Complaints**

The offer, sale, and purchase of securities are subject to a very complex system of regulation carried out by federal, state, and self-regulatory agencies.

### **State Authority**

The Alaska Division of Banking and Securities administers Alaska's securities laws, which are located in Title 45, Chapter 55, of Alaska Statutes. The intent of these laws is to protect the investing public by the regulation of both securities professionals and the securities themselves. The focus of a Division investigation is regulatory in nature and is designed primarily to locate and stop violations of state statutes and regulations.

### **Federal Authority**

As to some matters, the U.S. Securities and Exchange Commission (SEC) and the states both have authority to regulate the industry and, in other matters, each has exclusive authority. For example, the states, the SEC, and the Financial Industry Regulatory Authority (FINRA), the self-regulatory agency for securities firms, all have authority to take action against a broker-dealer.

### **State Remedies**

The Division cannot represent an investor in a claim for monetary damages. The staff can investigate alleged violations and may suspend or revoke licenses, issue stop orders against securities offerings, issue cease-and-desist orders, seek court-ordered injunctions or receiverships, impose penalties, or refer matters to an appropriate district attorney for criminal prosecution. You are encouraged to consider other additional forums if you are seeking to recover money or securities.

### **Investor Remedies**

As the purchaser of a security, you have additional individual rights to relief when state or federal laws are violated by the seller. For this reason, we encourage each investor who has grounds to file a securities complaint to consult an attorney and to pursue your independent claims for monetary relief. Act promptly, because by law you may only have a limited time to take legal action.

### **Need for Filing Complaint with the Division**

You should always file your complaint with the Division, even when you are pursuing your rights in another forum. The Division relies upon complaints received from investors to ensure that securities professionals are complying with the registration laws and to locate and stop investment fraud.

### **Other Forums for Complaint**

The SEC, as the federal regulatory agency for the securities industry, accepts complaints, which then may provide grounds for regulatory action against a violator of the federal securities laws. The same is true of FINRA. Complaints can be filed with the SEC at <http://www.sec.gov/complaint.shtml> and with FINRA at [https://apps.finra.org/Investor\\_Information/Complaints/complaintCenter.asp](https://apps.finra.org/Investor_Information/Complaints/complaintCenter.asp).

# INSTRUCTIONS FOR FILING A COMPLAINT

## How to file a complaint

You can file a complaint with Securities Division by completing the attached complaint form and sending it, together with copies of the documents that support your claim to:

State of Alaska - Division of Banking and Securities  
Attn: Securities Section  
550 West Seventh Avenue, Suite 1850  
Anchorage, AK 99501

### Documents that you should send with completed complaint form include copies of:

- Letters
- E-mails
- Trade Confirmations
- Sales brochures or pamphlets
- Offering circulars
- Prospectuses or written offering memorandum
- Purchase agreements
- Stock certificates
- Advertisements
- Account Agreement
- Account profile or Suitability reports.
- Any other items that would help support your claim.

These items are not required in order to file a complaint, we simply ask that you provide them if you have them.

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**PLEASE DO NOT SEND YOUR ORIGINAL DOCUMENTS, ONLY PHOTOCOPIES.**

## What should I say in my complaint?

The more information that you can provide, the more likely we will be able to promptly decide how we can help you. In order to assist you, it is very important that you provide us with the names, addresses, telephone numbers, and other identifying information concerning any person or entity that you mention in your complaint. It is equally important for you to provide us with the details of any transaction or activity you think violates the Alaska Securities Act. You should present the events in the order in which they occurred and use dates whenever possible.

## What will the Securities Division do with my complaint?

Upon receipt of your complaint, we will file the complaint in the Division's records and **consider making an inquiry into the matter.** You should be aware that the initial evaluation of your complaint might take several weeks. Moreover, it may take many months before the Division can make a final decision as to whether we should bring an enforcement action based upon your complaint. It is the Division's policy to conduct our inquiries on a confidential basis. This is done to protect the integrity of the investigation and to protect the personal privacy of persons to whom unfounded allegations may be made.

You will usually receive a letter from the Division acknowledging our receipt of your complaint within a few weeks after we have received it. If, after reviewing your complaint, the Division determines that it would not be appropriate or in the public interest for us to pursue your complaint, you will receive follow-up letter to that effect.

On the other hand, should the Division elect to pursue an enforcement action, you will be made aware of that fact once our intentions have been made public. In some instances, our actions may be resolved informally or through the issuance of an uncontested "Consent Order." Generally, informal actions are considered "non-public." Consent Orders, however, are a matter of public record. If you have additional questions concerning the complaint process, please telephone the Division at (907) 465-2521 or (907) 269-8140.

### **Is there anything else that I should know about the complaint process?**

There are a few very important things that you should know about the complaint process:

- Your complaint and any related investigation information are generally not available for public inspection under the Alaska Public Records Act. While in most instances your complaint shall be treated as a confidential matter, the Division may share a copy of your complaint with the person or firm about which you have complained to further the Division's investigation and evaluation of your complaint.
- The Division may share information about your complaint with other state and federal regulators and law enforcement agencies for the express purpose of assisting these agencies with the enforcement of state and federal laws. You should be aware, however, that federal agencies may not be able to fully protect all shared information from eventual public disclosure.
- Should the Division begin a formal legal proceeding involving your complaint, your complaint and any related documents may become information available to the public through the Securities Division's legal filings and any hearing or trial that may result.



**State of Alaska Division of Banking and Securities**  
**SECURITIES DIVISION**

550 West Seventh Avenue, Suite 1850  
Anchorage, AK 99501  
Phone: (907) 269-8140 Fax: (907) 269-8146

**COMPLAINT FORM**

1. Complainant Information:

Your Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_ Year of Birth (yyyy): \_\_\_\_\_

2. Name of firm(s) and/or individual(s) complained against:

Agent Name \_\_\_\_\_  
Firm Name \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Phone: \_\_\_\_\_

3. Type of investment(s) involved (please select all that apply):

- Stock     Bond     Viatical Settlement     Promissory Note     Mutual Fund  
 Partnership Interest     Other (Please describe):

4. Transaction Dates: \_\_\_\_\_

5. How and when did you first learn about the investment identified in item 3?

6. Locations(s) where the transaction(s) took place:

7. Was anyone else present with you at the time of the transaction(s)?  Yes  No

If "Yes", please provide their name(s), address, and phone number:

8. Amount of money involved in this transaction(s): \_\_\_\_\_

9. Did you sign or receive any documents?  Yes  No  
(If "Yes," please attach copies of the documents)

10. Have you complained to the firm(s) or individual(s)?  Yes  No

If "Yes," when and to whom did you talk with?

11. Have you contacted any other governmental or regulatory agency?  Yes  No

If "Yes," please provide the name, address and phone number of the agency, and the name of the person handling your complaint.

12. Please provide the name, telephone number and/or address of any other investor(s) that you are aware of:

13. Is an attorney representing you in this matter?

If "Yes," please provide your attorney's name, address, and phone number.

14. What were you told about the investment identified in item 3 and what were your expectations?

Do you believe that anything you were told about the investment was false or inaccurate and, if so, why?

15. Did you discuss your investment objectives and the amount of risk that was acceptable to you before you made the investment?

Yes

No

If "Yes," please provide the name of the person with whom you spoke and the date that you spoke:

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What were your investment objectives at the times of this investment?

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What was your risk tolerance at the time of this investment?

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16. Please explain the circumstances surrounding your complaint. If you need more space, please attach additional sheets of paper. It is important to include as many details about the transaction(s) as possible, regardless of how insignificant those details may seem. Please be as specific as possible.

18. If your complaint involves a broker-dealer, broker-dealer agent, investment adviser or investment adviser representative, may the Division send a copy of your complaint to the entity or individual that you have complained against?

Yes

No

*(Please note that a "No" response may limit the Division's ability to investigate your complaint.)*

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I hereby certify that I have read the information contained in and attached to this complaint and that all information I have given is accurate and complete to the best of my knowledge and belief. I understand that I can be held responsible if I make a false report. I will cooperate with the Division, **but I understand that the Division's attorneys are not my personal attorneys, and that I am encouraged to seek private legal counsel in order to protect my interests.**

**Notice of application of the public records provisions of Alaska law.**

Under the public records provisions of Alaska law, AS 09.25.100 – 09-25.220, this complaint may become subject to public disclosure at some time after the investigation is ended. While it is not subject to public disclosure, your identity will be made known to the person or company being complained of unless you indicate a good reason why it should not be released.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_



## **AUTHORIZATION TO OBTAIN DOCUMENTS FROM THIRD PARTIES**

For the express purpose of investigating your complaint, the Division of Banking and Securities may need to obtain information relating to you from third parties not directly regulated by the Division. **By signing below you authorize any person and/or entity to furnish to the Division upon its request, any and all information necessary for the Division to conduct its investigation.** A photocopy of this authorization will be considered as effective and valid as the original.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_