Penny stock due-diligence checklist (PDF)

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Complete before buying any low-priced, small company stock.

The company

Name, ticker and where it trades (exchange / OTC tier) _____

Latest 10-K and 10-Q dates on SEC EDGAR _____

Auditor named in the latest annual report _____

Shares outstanding now vs one year ago _____

Red flags (tick any that apply)

- ☐ Found through an unsolicited message, promotion or paid post
- ☐ No current financial reports or a recent change of auditor
- ☐ Recent reverse split or large share issuance
- ☐ SEC trading suspension or regulatory warning
- ☐ Average daily volume too small to sell my position

My plan

Amount I can lose entirely ($) _____

Limit price for entry _____

Exit rule (price or date) _____

Sources: 17 CFR 240.3a51-1: Definition of penny stock; SEC: Trading suspensions; SEC Investor.gov: Pump and dump schemes; SEC Investor.gov: Microcap fraud. Full explanation and links: https://uxs.nz/stocks/are-penny-stocks-worth-it/ Educational content, not financial, tax or legal advice. Trading involves substantial risk of loss. Made by UXS (uxs.nz). Free to print and share unchanged with attribution.