

**ALABAMA SECURITIES COMMISSION**

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**ALABAMA SECURITIES COMMISSION ISSUES ADVISORY ON  
INITIAL LOAN PROCUREMENTS**

**Montgomery, AL (July 22, 2019)** — Companies using blockchain technology need to raise capital just like any other company. One way these companies accomplish that is through initial coin offerings (ICOs), which require the new company to create tokens that can be sold to investors and used for the development of new projects. An alternative fundraising method is catching the interest of investors. Initial loan procurements allow companies to raise capital without the added burden of creating tokens.

The Alabama Securities Commission today issued an investor awareness advisory providing information to help investors better understand initial loan procurements. Initial loan procurements may appeal to investors who want to get into blockchain technology but are wary of the risks of ICOs. The advisory also discusses the red flags to watch for when considering initial loan procurements and the steps investors can take to protect themselves.

The full advisory (see attached) is available on the ASC website at [www.asc.alabama.gov](http://www.asc.alabama.gov).

Before making any financial decisions, ask questions and do your homework.

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For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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