

5 Questions Before You Invest

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Run every opportunity through these before you put in a single dollar. Tick all five.

Can it compound?

Does it grow on itself over time, or is it a one-time hit that goes nowhere?

Who has control?

You, or someone else? Whoever funds it usually controls the outcome.

What if it fails?

If the deal dies, do you get some or all of your money back, or zero?

Is the upside bigger?

Is the reward meaningful and clearly larger than what you could lose?

Do you understand it?

Can you explain how it makes money and what could go wrong? If not, pass.

Diversify where you don't understand.

Where you know the risk cold and have control, you concentrate.