# Preparing for Your First Rule #1 Investment

What You Need to Know About Opening a Brokerage Account



In order to buy and sell stocks, you'll need a brokerage account. This account allows a broker to sell and purchase, on your behalf, to other people willing to give or take the same stock.

## **The Main Brokerage Accounts**

& What Ones You Should Be Using



### Full Service & Discount

- ✓ Brokers offer personal guidance
- X Not practicing Rule #1 investing
- Charge fees for their time as well as their trade commissions
- Service available in person or over the phone



#### Online Brokers

- ✓ Do it yourself approach online
- Open and account and buy into wonderful businesses you like
- Commission fees by Trade or by Share (less expensive)
- Service available online or over the phone



## So, Which Online Broker Should You Use?

There are many good options out there and it would be helpful to search "Online Broker Ratings" on your favorite search engine to compare pros and cons for each, and read testimonials from other users.

No matter which type of brokerage account you choose to use, there are some questions you should have them address to help you on your way.



#### Opening an online brokerage account is like opening up a banking account. Choose your favorite, fill out the forms, and deposit the minimum balance re-

**Set Up and Next Steps** 

quired (typically \$100 - \$2,500). Once your account is open, you will need to choose the type of account you'd like.

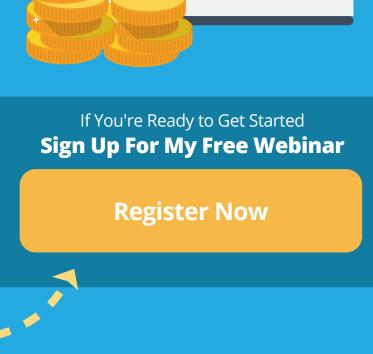
has someone who can help talk you through the best account for you, as well as how to roll any funds from another account into your desired account.

Most Rule #1 investors are best-suited to use an IRA, but every online broker

Note that each retirement account has a limit of how much you can contribute tax-free, so this may impact how you decide to invest, and with what

Do You Have Enough Money To **Start Investing?** *In most cases you can invest with \$500.* What's more important is to make sure you completely understand the company you are investing in. Rule #1 can

help you find stocks that match YOUR values so that you can make an impact on this world while making great returns at the same time.







dollar amount.