

YOUR "IN SIMPLE LANGUAGE"



Guide to Basic Investments

Short Series: Book 1

RICHARD S. SOWA, CFP®

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Guide to Basic Investments

Short Series: Book 1

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IN MEMORY OF

This book is dedicated to the memory of my brother John James “jACK” Sowa who was always talking about saving and investing for retirement but never got the opportunity to enjoy the fruits of his labor. He died of complications from Vietnam and “Agent Orange” in January 2009, at the ripe old age of 64. Thanks jACK for your constant kicks in the ass to keep me on track.

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ABOUT THE AUTHOR

Richard S. Sowa has spent over 30 years in the financial services profession in a variety of capacities. Rich got the financial services bug when he was a bank examiner for the U.S. Treasury Department, Comptroller of the Currency and became involved in various bank investment and mortgage departments.

When he left the Treasury Department after seven years, he formed his own tax accounting and investment business. It was during this time that he acquired his Series 7 and 63 securities licenses necessary to practice as a registered representative (stockbroker) and his license to practice as an accountant in the State of Ohio. Rich also acquired the Certified Financial Planner™ and the Certified Mutual Fund and Annuity Specialist designations. Rich also held life, health, disability and property & casualty insurance licenses.

After eight years in business, Rich decided that he wanted to go into corporate America and make his mark. He worked as a registered rep for several well known national and regional brokerage firms and insurance companies. He has written over 200 financial articles and presented many financial seminars, workshops, and keynote addresses throughout his years in the financial services industry.

In 2008, Rich founded, In Simple Language, a writing and oral communications company helping businesses with solutions for their:

- Offline written communications
- Online web copy content
- Internal financial presentations

For a complete list of services look at the “SERVICES” tab at www.insimplelanguage.com

He also teaches the Executive Certificate in Financial Planning at Bellarmine University as an adjunct professor for Kaplan/Schweser, the premier global financial education company. He has also taught business classes as an adjunct professor at National College in Shively, Kentucky and has offered financial courses in the non-credit departments of Indiana University Southeast, New Albany, Indiana and Ivy Tech Community College in Jeffersonville, Indiana and the University of Louisville in Louisville, Kentucky.

Rich has helped educate many individuals through his writing and speaking engagements throughout the United States. He is a current member of Toastmasters International and has held the positions of Area Governor, President, Vice President of Public Relations and Secretary in his local toastmasters club. Rich is also a candidate member of the National Speakers Association, Louisville, Kentucky, a member of One Southern Indiana Chamber of Commerce, and a member of the Rotary Club of New Albany, Indiana.

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INTRODUCTION

This “short book series” In Simple Language is a series of financial books on financial topics that are used by most investors. From the beginning investor, who is struggling to make heads or tails out of the often confusing and complex financial language, to the long time knowledgeable investor who may need to brush up on some financial topic... this series is a useful reference source for all investors.

This “short book series” In Simple Language begins, where else, at the beginning of the investment world, with Your “In Simple Language” Guide to Basic Investments. We focus on the basics and talk about such things as money market mutual funds. We touch on more complex investments for the more advanced, long time investor and for the investor who may want to move into those complex areas.

Please keep in mind that we are talking about investing and not saving. These are two distinct areas and two parts of a person’s personal financial plan. With that said, I will be dealing with the savings aspect of personal financial planning in minimal detail in this book number one.

I will be relying on my thirty plus years experience as a stockbroker/registered representative/financial advisor/tax accountant/financial planner which has taught me, if nothing else, that financial investing is very complex and difficult to understand ...unless you know where to look. I will be your eyes and ears on this journey into the realm of the financial world. I always wanted to say that.

The one thing I promise to do is to keep all of this financial stuff In Simple Language. That is the purpose of this series of short financial books and my financial education blog www.insimplelanguage.com.

The “short book series” In Simple Language is therefore geared for the investor, whether beginning or advanced.

I’ll be making reference to my financial education blog www.insimplelanguage.com from time to time. You can go there and ask your questions about the various types of investments I will be discussing. Because of the volume of questions I normally get I may not be able to answer all of the questions that are asked. For that I apologize. I will try to answer as many as possible. Please be patient with me and keep trying if you don’t get an answer right away.

I will do my best to make this financial textbook as “un-textbook” as I can. Based on my years of experience, I have conveyed various stories about most of the topics to help liven things up. Financial topics can be dry and intimidating to the uninitiated. Giving you real life stories and experiences will let you get a better grasp of the topics.

So without further adieu let’s get started.

This is your basic resource guide for investment information. In this “Your In Simple Language Guide” to Basic Investments, Short Book Series Book 1, we look at the various types of investments that everyday investors use in their investment account. Various investment types are defined and easy to understand real life examples are given of how these investments are used in your everyday investment situations.

There are sections on stocks, bonds, mutual funds, government investments, money market accounts and many others with many real life examples.

Also included are financial resources that you can refer to, online and off-line, that will help you better understand your own investment account.

This Short Book Series Book 1 is the first installment in the In Simple Language Short Book Series of financial books for the everyday investor.

As a former stockbroker, tax accountant, and federal bank examiner, Rich takes his 30+ years of investment experience and knowledge and explains everyday investments In Simple Language.

Rich has taught numerous business and financial courses at many colleges and universities throughout the United States.

As a Certified Financial Planner™, Rich currently teaches several parts of the required Certified Financial Planner™ educational program needed to sit for the rigorous Certified Financial Planner™ ten hour examination to become a CFP®.

An avid writer and speaker, he writes for his financial education blog “Financial Answers In Simple Language,” and Financial Pro Talk, an audio interview service for financial professionals. Rich has spoken on financial topics at national, regional, and local venues throughout the United States. He is also planning a financial radio show...stay tuned.



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