



# YOUNG INVESTORS

BECOMING AN...

## INFORMED INVESTOR

### Today's Topic: Load vs. No-Load Mutual Funds

When you invest in a mutual fund, it is important to know the difference between a "load" and a "no-load" fund.

A **load fund** is a mutual fund that charges a sales commission. This commission is charged directly to the investor at the time of purchase (front-end load) or when you sell shares (back-end load). Typically, these charges or fees range from 2% to 9% of the amount invested. This fee is paid to the salesman (i.e., broker/advisor) that recommended the fund to you. For example, if you invested \$1,000 in a 5% load fund, \$50 of your investment is used to pay the sales commission and \$950 is actually invested in the fund.

A **no-load fund** is a mutual fund that does not charge a sales commission. So, if you invested \$1,000 in a no-load fund, your entire \$1,000 is invested in the fund.

To better understand this concept, let's assume that you are looking to purchase a video game for \$50, but do not know which one to buy. An option is to ask a video game expert for their advice. The expert agrees to help, but only if you pay a \$2.50 fee (similar to a 5% load). You agree to pay the fee and buy the recommended game for a total of \$52.50 (\$50 for the game plus the \$2.50 commission). A second option would be to do the research yourself by using the internet or asking friends for their opinion. Based on your research, you choose a game, purchase it for \$50, and avoid the \$2.50 expert fee.

**So, what option is best?** There is no right or wrong answer. If the game or investment meets or exceeds your expectations, you made a good choice. However, in terms of performance, the load fund needs to perform better than the no-load fund to make up for the sales commission.



## Running With The Bulls Stock Market Contest Starts April 15, 2010

# THINGS TO KNOW

## Saving Money While Spending It?

Part of the budgeting process is setting aside money to purchase something you want. Depending on the price, it can take weeks or months to save enough for this purchase. One way to reduce your savings time is to look for special deals or to buy used for a lower price. For example, instead of buying a new video game, there are stores that sell the same game, used, at a discount. You could also look for sales and/or coupons. Every Sunday the newspaper contains coupons and sales ads that might help decrease the price of the product you are looking for. There are many websites that also offer free coupons or special codes that can be used for anything from free shipping to a percentage off your purchase.



Let's assume you were looking to buy a new bike. This bike normally sells for \$100. You have been diligently saving \$10 a week and have accumulated \$80. In this week's paper, you find a coupon for \$20 off any purchase of \$100 or more. Using this coupon, you can purchase the bike you wanted for \$80, two weeks early!

By being a "smart shopper", you can not only shorten your total savings time, but also increase your purchasing power.

**Run** **win**  
\$100 Gift Card  
from Target  
*With The Bulls*

### STOCK MARKET CONTEST

#### TO PLAY:

- Visit [Younginvestorfund.com](http://Younginvestorfund.com)
- Click On Game Center Link
- Click Run With The Bulls Icon
- Register & Pick Your Stocks!



# Laughing Studio



## Kid-Themed Investments



**Why did the man go into the pizza business?**

Because he wanted to make some dough.

**Where do crayons go on vacation?**

Color-ado.

**When does it rain money?**

When there's "change" in the weather.

**What happens when you drop a duck egg?**

It quacks!

**How do you stop a charging rhino?**

Take away his credit card!



Ha

Ha

Ha

Ha

Yum! is the world's largest restaurant company with more than 37,000 restaurants in over 110 countries and territories.

The company has five main restaurants: KFC, Taco Bell, Pizza Hut, Long John Silvers, and A&W Restaurants.

Did you know that Yum! was originally owned by PepsiCo., but was spun off from the company in 1997?

The only complete copy of the Colonel's secret chicken recipe is handwritten in pencil on a single sheet of paper that's kept in a vault in KFC's Louisville headquarters.

The Taco Bell's in China are full service restaurants and have expanded their menu to include braised ox tail and meatball soup.



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# GAME STUDIO

Win A Surprise!

1. 2. 3. 4. 5. 6. 7. 8. 9.

## CROCO

### WORD PUZZLE

NO-LOAD  
RISK  
SAVINGS  
CREDIT  
LOAD  
NEED  
BANK  
DEPOSIT  
LUXURY

### ACROSS

- The positive balance or amount remaining in a person's account?
- Institution where money is kept for saving.
- Type of fund that does not charge a commission?
- Also known as a sales charge.

### DOWN

- Exposure to a chance of loss.
- Preserving money for the future.
- Type of item that is expensive and hard to obtain.
- Money placed in a bank.
- A requirement that must be filled.

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Phone \_\_\_\_\_  
 E-mail \_\_\_\_\_  
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