

Name \_\_\_\_\_

## Investments

*Directions: Research and write about what each type of investment is, and how it works. Answer each question in each box.*

### Part I

<b>1. Roth IRA</b>	<a href="http://www.rothira.com/what-is-a-Roth-IRA">http://www.rothira.com/what-is-a-Roth-IRA</a> What is a Roth IRA? What does IRA stand for? How does it work?
<b>2. 529 Plan</b>	<a href="https://www.fidelity.com/529-plans/what-is-a-529-plan">https://www.fidelity.com/529-plans/what-is-a-529-plan</a> What is the purpose of a 529 plan? What are its benefits?
<b>3. Certificate of Deposit</b>	<a href="https://www.chase.com/savings/bank-cd">https://www.chase.com/savings/bank-cd</a> What is a certificate of deposit? (CD) What are the benefits of this type of investment?

<p><b>4. Permanent Life Insurance</b></p>	<p><a href="http://www.newyorklife.com/products/tax-advantages-permanent-life-insurance">http://www.newyorklife.com/products/tax-advantages-permanent-life-insurance</a></p> <p>Describe why this may be a good investment.</p>
<p><b>5. Treasury Bond</b></p>	<p><a href="https://www.fidelity.com/fixed-income-bonds/individual-bonds/us-treasury-bonds">https://www.fidelity.com/fixed-income-bonds/individual-bonds/us-treasury-bonds</a></p> <p>What is a Treasury Bond, and what are its benefits?</p>

## Part II

6. Rank the above investments in the order you think would be the best place to put your \$\$ (1 being the best, 5 being the worst)

\_\_\_ Roth IRA

\_\_\_ 529 Plan

\_\_\_ CD

\_\_\_ Permanent Life Insurance

\_\_\_ Treasury Bond

7. In a paragraph, explain why your top pick would be the best place to put your \$\$ . What are the possible benefits and drawbacks to your top investment?