

Step 2: Open An Online Trading Account

Opening an online trading account is like opening a checking account at your local bank except much easier because you don't have to go anywhere. You can do this while luxuriating at home, sampling your favorite beverage and listening to some great tunes.

There are several online brokerage firms to pick from. They're really good, offer you more features than you'll ever use plus toll free support any time you want it for next to no cost – my kind of business. Opening the account is generally free.

While I am not in the practice of promoting specific online brokerage companies, I also believe in giving credit where credit is due. While writing *Preferred Stock Investing*, I had the opportunity to see how many, not all, online brokerage companies handled over-the-counter buy orders for CDx3 Preferred Stocks. I found that managing these transactions is definitely a strength of TD Ameritrade (<http://www.tdameritrade.com>).

If you do a Google search for “online brokerage”, you'll get the list. The list will include TD Ameritrade, e*Trade, Scottrade and a bunch more. Their prices are all around \$10 per trade. Go to their web site and see their demos and lists of features and pick one.

Once you click on the “Open New Account” button, these sites will walk you through, step by step, the same questions that your local bank asks you but on a form – what kind of account would you like to open, whose name will be on the account, what's your mailing and email address, how much would you like to deposit to open the account and so on. Fill out the form, send them a check to open your account and you're done. Simple.

Once your account is open, you'll be able to sign on (using an account name and password that you create) and start exploring. The Help menu items are extremely helpful for beginners. Take a look at the items related to making trades – placing a buy order and placing a sell order. If there's anything you're confused about, just call the toll free number. There is usually a special group of very friendly, knowledgeable people set aside to provide help just to beginners. They'll walk you through anything that you don't understand.



Now that you have started your CDx3 Notification Service and opened your online trading account, you are ready to start building your personal CDx3 Portfolio of CDx3 Preferred Stocks. In this section, I will walk you through the