

Activity Sheet 2: Assessment

Highlight or underline the important sentences in **Fact Sheet 1: What is a Stock?** to help you answer the following questions.

1. Based on the information presented in Face Sheet 1, please explain the term: underwriter.
2. The Fact Sheet says a stock trade for less than 100 shares is called an “odd lot.” What is a “lot?”
3. What does it mean: “Preferred stocks tend to move with changing interest rates.”
4. Why would an investor choose to buy a company’s preferred stock over common stock?
5. Based on what you’ve read, what might convince a company not to “go public”? Why doesn’t this deter the companies that do?



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