

## Confidential Investor Risk Profile

The first step in creating an investment discipline  
to balance risks and take advantage of opportunities

Date: \_\_\_\_\_

## Family Information

Client<sub>1</sub> Name: \_\_\_\_\_  
*First M Last Birthdate*

Client<sub>2</sub> Name: \_\_\_\_\_  
*First M Last Birthdate*

Address: \_\_\_\_\_  
*Street City/St Zip Code Telephone*

Current Assets: \$ \_\_\_\_\_

Please specify the type of account:

- A. Taxable, Individual  
 B. Tax exempt, Individual

## Risk Tolerance Profile

### 1. Risk Factor

Before you make a decision on any investment, you need to consider how you feel about the prospect of potential loss of principal. This is a basic principle of investing: *the higher return you seek, the more risk you face*. Based on your feelings about risk and potential returns, your goal is to:

- 15  A. Potentially increase my portfolio's value as quickly as possible while accepting higher levels of risk.  
9  B. Potentially increase my portfolio's value at a moderate pace while accepting moderate to high levels of risk.  
6  C. Income is of primary concern while capital appreciation is secondary.  
3  D. The safety of my investment principal.

## 2. Investment Approach

Which of the following statements best describes your overall approach to investing as a means of achieving your goals?

- 3  A. Having a relative level of stability in my overall investment portfolio.
- 6  B. Moderately increasing my investment value while minimizing potential for loss of principal.
- 9  C. Pursue investment growth, accepting moderate to high levels of risk and principal fluctuation.
- 15  D. Seek maximum long-term returns, accepting maximum risk with principal fluctuation.

## 3. Volatility

The value of most investments fluctuates from year to year as well as over the short term. How would you feel if an investment you had committed to for ten years lost 20% of its value during the first year?

- 1  A. I would be extremely concerned and would sell my investment.
- 3  B. I would be concerned and may consider selling my investment.
- 5  C. I would be concerned, but I would not consider selling my investment.
- 7  D. I would not be overly concerned given my long-term investment philosophy.

## 4. Variation

Realizing that any market-based investments may move up or down in value over time, with which of the hypothetical portfolios below would you feel most comfortable?

	Year 1	Year 2	Year 3	Year 4	Year 5	Average Annual Return
1 <input type="checkbox"/>	3%	3%	3%	3%	3%	3%
3 <input type="checkbox"/>	2%	5%	6%	0%	7%	4%
5 <input type="checkbox"/>	-6%	7%	21%	2%	8%	6%
7 <input type="checkbox"/>	9%	-11%	26%	3%	18%	9%
10 <input type="checkbox"/>	14%	-21%	40%	-4%	31%	12%

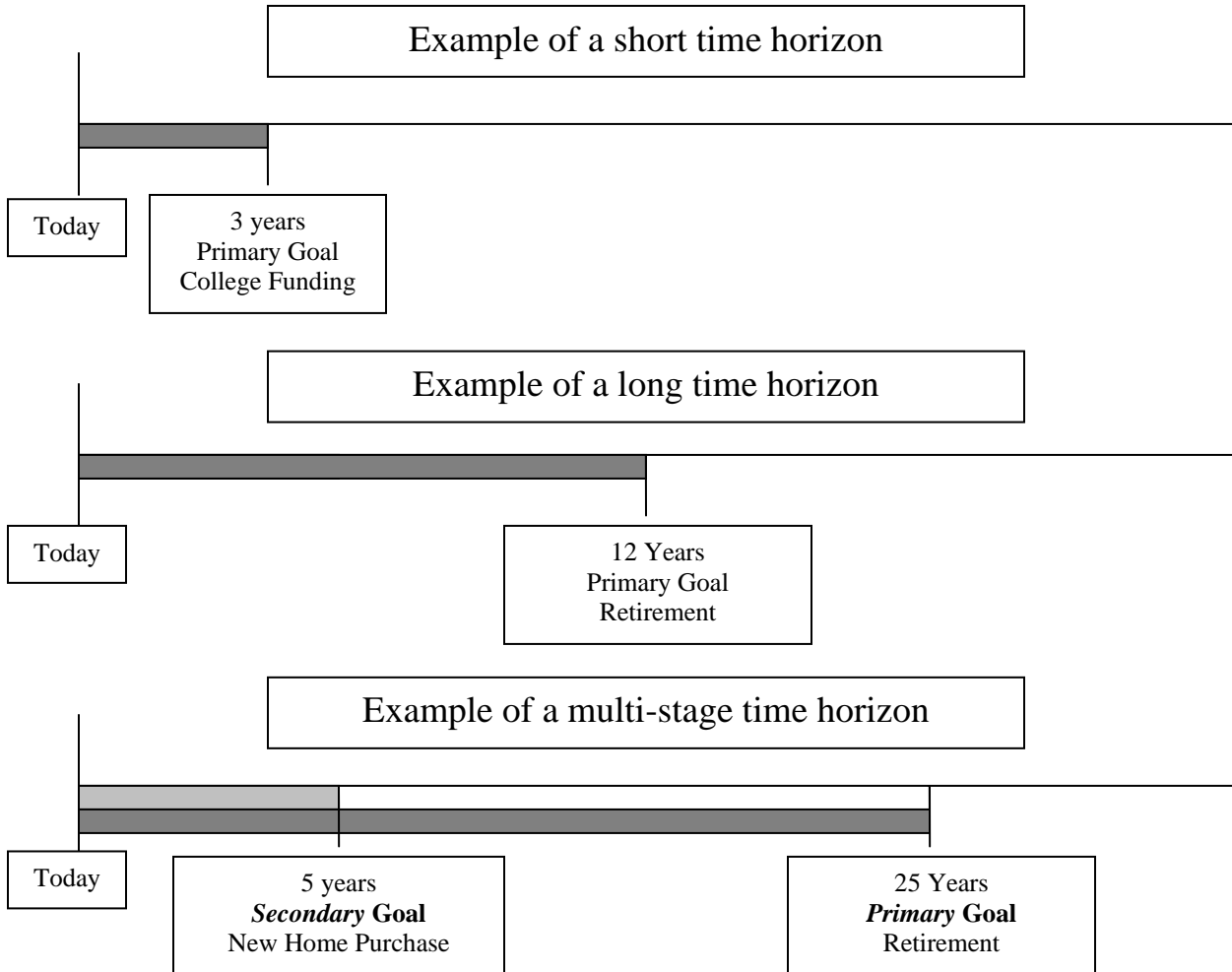
## 5. Investment Experience

Please select the type of security with which you have had the *most* investment experience?

- 2  A. U.S. Government securities
- 4  B. Mid to high quality corporate fixed income securities
- 6  C. Stocks of older, established companies
- 8  D. Stocks of newer, growing companies

## 6. Time Horizon

An important consideration when making investment decisions is where you are in your financial life cycle and how long you have before you will need to start withdrawing the assets. Through consultation with your Financial Advisor, please indicate your portfolio's appropriate time horizon. A multi-stage time horizon would indicate that you have several goals in the future that your investment portfolio needs to address.



- 1  A. Short (3 to 5 Years)
- 6  B. Long (5 to 10+ Years)
- 3  C. Multi-stage

## 7. Primary Goal

Please indicate approximately how many years from today until you reach your primary goal.

- 1  A. Within 1 to 5 years
- 3  B. Within 5 to 10 years
- 7  C. Within 11 to 20 years
- 10  D. More than 20 years

## 8. Secondary Goal

Some investors have a multi-stage time horizon with several goals for their portfolio. Please indicate approximately how many years from today until you reach your secondary goal?

- 0  A. Not applicable, I only have a single stage time horizon.
- 1  B. Within 1 to 5 years
- 3  C. Within 5 to 10 years
- 5  D. More than 10 years

## 9. Age

What is your current age?

- 10  A. Under 35
- 8  B. Between 36 to 45
- 6  C. Between 46 to 55
- 4  D. Between 56 to 70
- 1  E. Over 70

## 10. Investment Earnings

Based on your current and estimated future income needs, what percentage of your investment earnings do you think you would be able to reinvest?

- 8  A. Reinvest 100 percent of my investment earnings.
- 5  B. Reinvest 20 to 80 percent of my investment earnings.
- 3  C. Reinvest 0% (receive all investment earnings for cash flow).
- 1  D. My investment earnings will not be sufficient and I will need to withdrawal principal.

## 11. Investment Value

Your portfolio design relates to your investment experience, which helps to determine your current investment philosophy. What is the current value of your total investment portfolio?

- 10  A. More than \$1,000,000
- 8  B. \$500,001 to \$1,000,000
- 6  C. \$300,001 to \$500,000
- 4  D. \$100,000 to \$300,000
- 2  E. Less than \$100,000

## 12. Living Expense

Given interruptions of periodic income or other unforeseen circumstances, some individuals are forced to tap their investment resources to meet living expenses. In such an instance, how many months of living expenses could be covered by your current liquid investments?

- 5  A. More than 12 months, or not a concern
- 3  B. Between 4 and 12 months
- 1  C. Less than 4 months, or already withdrawing

## 13. Household Income

Total earnings, which includes earned and investment income, is a requirement when assessing your risk tolerance and determining allocation of assets. What is your total annual household income (including interest and tax deferred income)

- 10  A. More than \$200,000
- 8  B. \$150,000 to \$199,999
- 6  C. \$100,000 to \$149,999
- 4  D. \$50,000 to \$99,999
- 2  E. Less than \$49,999

## 14. Income Saving

The percentage of your total income that you currently save is approximately:

- 1  A. I do not currently save any income.
- 3  B. Between 2% - 7%
- 6  C. Between 7% - 12%
- 9  E. Greater than 12%

## 15. Future Earnings

In the next five years, you expect that your earned income will probably:

- 1  A. Decrease
- 3  B. Stay about the same
- 5  C. Increase modestly
- 7  D. Increase significantly

## Conclusion

In the comment field below, please list any information which may be of significance to you or may assist your advisor in constructing your portfolio (Example: tax or legal constraints, preferences for taxable or tax exempt securities, information of withdrawals and/or contributions to the portfolio etc...)

Comments:

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To the best of my knowledge, the information contained in this investment policy questionnaire is both accurate and complete. I understand that any recommendations are based upon the information supplied by me.

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

# Investment objective ranges and descriptions:

**Point Total** (adding up the points from questions 1 - 15)

<b>Points</b>	<b>General Investment Objective</b>	<b>Risk Tolerance</b>
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**22-35**

**Income**

**Low**

You have selected an Income objective for this account. This objective primarily emphasizes current income generation with little or no concern for capital appreciation or inflation protection. Due to its fixed income nature, general stability of principal value should be obtained but is not guaranteed.

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**36-56**

**Income with Moderate Growth**

**Low to moderate**

You have selected an Income with Moderate Growth objective for this account. This objective emphasizes current income through a large allocation to fixed income securities, complemented by a secondary consideration for capital appreciation through a small allocation to equity securities.

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**57-80**

**Balanced**

**Moderate**

You have selected a Balanced objective for this account. This objective is designed to offer the potential for both capital appreciation and current income through a roughly 40% - 70% allocation to equities and a 30% - 60% allocation to fixed income investments.

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**81-100**

**Balanced with Growth**

**Moderate to High**

You have selected a Balanced with Growth objective. This objective is designed to invest a substantial portion of assets in equities for potential growth, while using fixed income to moderate risk. The expected asset allocation for this objective would be roughly 70% - 80% equities and 20% - 30% fixed income.

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**101-120**

**Growth**

**High**

You have selected a Growth objective for this portfolio. This objective emphasizes maximizing total return and protecting against inflation. The portfolio consists of primarily or all equity investments. A moderate exposure to fixed income investments, however, may provide a buffer for short-term fluctuations in performance while providing a small amount of current income.

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**121+**

**Aggressive growth**

**Aggressive**

You have selected an Aggressive Growth objective for this account. The primary goal of this portfolio is long-term growth and maximum capital appreciation. The portfolio consists of 100% equity investments. This objective represents an aggressive strategy and while it strives for high returns, performance can be volatile from year to year.