

The Risk Assessment Questionnaire helps to determine the best asset mix for an investment, based on the answers given to the questions below. Please take time to answer the questions as best and honestly as you can.

**Time Horizon**  
Your Current situation and future income needs.

- 1. What is your current age?  
5 – less than 45  
4 – 45 to 55  
3 – 56 to 65  
2 – 66 to 75  
1 – older than 75
- 2. When do you expect to start drawing income?  
5 – not for at least 20 years  
4 – in 10 to 20 years  
3 – in 5 to 10 years  
2 – not now, but within 5 years  
1 - immediately

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**Goals / Expectations**  
Your views of how an investment should perform over the long term.

- 3. What is your goal for this investment?  
5 – to grow aggressively  
4 – to grow significantly  
3 – to grow moderately  
2 – to grow with caution  
1 – to avoid losing money
- 4. Assuming normal market conditions, what would you expect from this investment over time?  
5 – to generally keep pace with the stock market  
4 – to slightly trail the stock market & make good profits  
3 – to trail the stock market, but make a moderate profit  
2 – to have some stability, but make modest profits  
1 – to have a high degree of stability & make small profits
- 5. If stocks perform very poorly over the next decade, what would you expect from this investment?  
5 – to lose money  
4 – to make very little or nothing  
3 – to make out a little gain  
2 – to make a modest gain  
1 – to be affected little by the stock market

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**Short-Term Risk Profile**  
Your attitude toward short-term volatility.

- 6. Which of these statements describe your attitude about the next three years' performance of this money?  
5 – Don't mind if I lose money.  
4 – I can tolerate a loss  
3 – I can tolerate a small loss  
2 – I'd have a hard time dealing with a loss  
1 – I need to see at least a little return
- 7. Which of these statements describe your attitude about the next few months' performance of this money?  
5 – who cares, 3 months means nothing  
4 – I wouldn't worry about losses in that time frame  
3 – A loss of more than 10% would concern me  
2 – I can only tolerate small short-term losses  
1 - I'd have a hard time stomaching any losses

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7 to 10	Conservative Income
11 to 17	Income
18 to 24	Conservative Growth
25 to 31	Growth
32 to 35	Aggressive Growth

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**TOTAL:**

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

Date: / /

## Investment Policy Statement

Your Investment Policy Statement is a summary of your current situation, your requirements and goals, and your recommended general investment strategy. Going forward, it will serve as a guide to your investment plan, governing how, why, and where your money is invested. Consider it a living document; this policy will adjust over time as your financial goals and investments evolve.

### **Statement of Objectives**

**Risk Tolerance:** Investing involves an element of risk, whether that risk is loss of dollars invested or erosion of the value of your wealth due to inflation. In constructing your investment plan, we considered your willingness to tolerate investment risk by focusing on your investing time horizon, your comfort with short-term market variability and your willingness to tolerate long-term market instability. Your risk profile is summarized as one of the following:

<b>Conservative Income 1</b>	<b>Income 2</b>	<b>Conservative Growth 3</b>	<b>Growth 4</b>	<b>Aggressive Growth 5</b>
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**Investment Policy Statement:** We believe that asset allocation — the overall mix of asset types within your portfolio, is an important determinant in your portfolio’s behavior. Please review the descriptions of five common Asset Allocation Models (built around an individual’s description of their own risk) and mark the one that you believe best describes you.

### **Recommended Asset Allocation = Conservative Income (1)**

Your recommended allocation is primarily intended for capital preservation with a secondary objective for income. The asset mix has a higher allocation of fixed income and a slightly lower weighting in stocks.

### **Recommended Asset Allocation = Income (2)**

Your recommended allocation is conservative. A conservative asset mix is best-suited for investors who are reluctant to risk short-term losses or who will need to pay for financial goals in the near term, but who still seek modest capital appreciation.

### **Recommended Asset Allocation = Conservative Growth (3)**

Your recommended allocation is balanced. A balanced asset mix strikes a middle-of-the road path between stocks and fixed-income investments. It's appropriate for investors who seek growth in their investments but still desire a cushion against excessive market fluctuations.

### **Recommended Asset Allocation = Growth (4)**

Your recommended allocation is stock-heavy. It entails above-average risk. It is intended for investors who require healthy asset growth from their investments yet aren't troubled by significant fluctuations in market value.

### **Recommended Asset Allocation = Aggressive Growth (5)**

Your recommended allocation is aggressive. An aggressive asset mix is best-suited for investors who have a high tolerance for risk and a long time frame. Historically, such a portfolio is likely to encounter substantial short-term volatility, though it offers the best opportunity for above-market long-term gains.

Client Initials \_\_\_\_\_