

Risk Tolerance Worksheet

Client Information

Client Name

Risk Tolerance Questionnaire

The questions below are to be answered by the client and are designed to assess the client's objectives and risk preferences. We use your answers when determining the portfolio that is most appropriate for you.

The questions below pertain only to the money you are planning to invest in this account. People often compartmentalize their investments with some accounts earmarked for security and others for growth. Make sure the answers you provide below are accurate for the particular money you plan to invest in this particular account.

Question 1 of 10

When do you plan to begin drawing money out of this account? (other than minimum required distributions)

- Under 3 years
- 3 to 6 years
- 7-10 years
- Over 10 years
- Do not have any plans to take money out of this investment. For example: plan to leave it to your heirs.

Question 2 of 10

Once you begin drawing money out of this account, what percent will you choose to withdraw per year? (Do not count required minimum distributions, that you would not take if you had a choice, toward the amount you choose to withdraw.)

- Over 13%
- 7% to 13%
- 4% to 7%
- 3% to 4%
- Under 3%
- Do not plan on taking withdrawals

Question 3 of 10

What is your primary goal for the money you plan to invest in this account?

- Short term "safe money"
- Immediate income
- Growth with some immediate income
- Long term growth

Question 4 of 10

Which of the following hypothetical investments (i.e. return and drawdown characteristics) would you choose for all of the money you are planning to invest in this account? Assume that you are originally investing \$100,000. After 10 years you could have:

- About \$135,000, by earning 3% each and every year.
- About 163,000, by earning 5% on average, but having your account value fall by 10% during year 4 of 10.
- About \$197,000, by earning 7% on average, but having your account value fall by 20% during year 4 of 10.
- About \$237,000, by earning 9% on average, but having your account value fall by 30% during year 4 of 10.
- About \$284,000, by earning 11% on average, but having your account value fall by 40% during year 4 of 10.

* The options listed above are not actual investment alternatives. Your answer is only used to help judge your risk preference.

Risk Tolerance continued...

Question 5 of 10

Assume that the stock market falls in value by 40%, and your stock market investments, including those in this and all your other accounts, also fall by 40%. What are you most likely to do?

- Liquidate more than half of your stock market investments and move your money into less risky assets such as CD's.
- Liquidate less than half of your stock market investments and move your money into less risky assets such as CD's.
- Retain your stock market investments.
- Increase your investments in the stock market.

Question 6 of 10

Are you now or have you in the past invested in individual equities or funds containing equities?

- Yes, and the risk was tolerable.
- Yes, and the risk was intolerable.
- No, but the risk will be tolerable.
- No, because the risk will be intolerable.

Question 7 of 10

Have you invested in individual bonds or funds containing bonds?

- Yes, and the risk was tolerable.
- Yes, and the risk was intolerable.
- No, but the risk will be tolerable.
- No, because the risk will be intolerable.

Question 8 of 10

Small company stocks are typically riskier than the stocks of larger companies. But, high quality research indicates that small companies likely provide a higher risk-adjusted-return than larger companies. Please describe how you feel about investing in smaller companies in order to potentially increase your returns.

- I do not have a strong opinion and prefer to rely on the experts to construct the most appropriate portfolio for my situation.
- I want high exposure to small companies within a diversified portfolio.
- I want some exposure to small companies within a diversified portfolio.

Question 9 of 10

Have you ever invested in foreign securities? How do you feel about investing in foreign securities?

- I do not have a strong opinion and prefer to rely on the experts to construct the most appropriate portfolio for my situation.
- Yes I have, and I accept the currency and political risk in exchange for diversification and potentially higher returns.
- Yes I have, and do not accept the currency and political risk in exchange for diversification and potentially higher returns.
- No, I have not, but I am willing to accept the currency and political risk in exchange for the diversification and potentially higher returns.
- No, and am not willing to accept the currency and political risk in exchange for the diversification and potentially higher returns.

Question 10 of 10

What is your rebalancing preference?

- A. Rebalance my asset allocation when necessary.
- B. Never rebalance my asset allocation.