

Risk Tolerance Questionnaire

Please take a few minutes to answer the following questions about your investment style. Having a good understanding of your responses to changes in the value of your investments is helpful in determining your risk tolerance. It is important to understand that, while some investments are safer than others, all investment products carry an inherent level of risk. The results of this assessment are used along with information gathered in our conversations with you to suggest and agree upon an investor type and investment policy for your investments. Any inconsistencies in your answers will be discussed with you.

To be filled out by each individual in the household. This questionnaire should take about 5-10 minutes.

Time Horizon

What are your current and future income needs for your investments? The longer you have to invest in the market, the more risk you may be able to tolerate in exchange for potentially higher returns. If you will need the money in the near-term, capital preservation will be more important.

1. What is your current age?
 - a. Less than 45
 - b. 45 to 55
 - c. 56 to 65
 - d. 66 to 75
 - e. Older than 75

2. In how many years do you expect to start spending the money you are investing?
 - a. Not for at least 20 years
 - b. In 10 to 20 years
 - c. In 5 to 10 years
 - d. Not now, but within 5 years
 - e. Immediately

Investment Goals

Think about anything you foresee in the near future that will require the uses of these funds or if you are saving this money for living expenses when you retire. The goals you set for yourself are helpful in determining the amount of risk in your portfolio you are willing to accept.

3. What are your objectives for these investments? Please tell us what your plans are for these investments with 1 being the most important and 4 being the least. Objectives could be things like living expenses through retirement, providing an education for your children, housing purchases or leaving money for the next generation.

1.

2.

3.

4.

4. Which of the following statements is most true about the way you wish to invest your money to achieve your goal(s)?

- a. My investments should grow substantially in value over time. I do not need to generate current income.
- b. My investments should grow over time, but I do not want to see significant changes in capital.
- c. My investments should generate income and also grow moderately over time.
- d. My investments should generate income that I can spend.

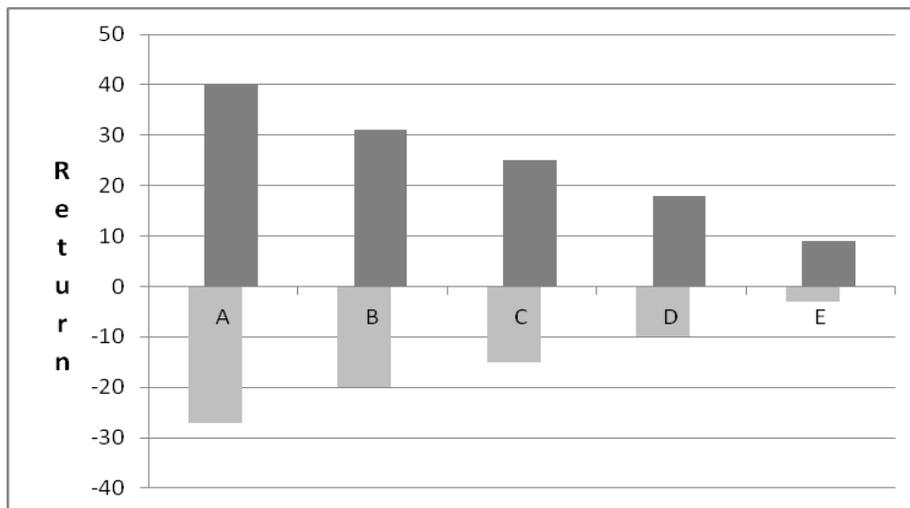
5. What is your primary goal for your investments?

- a. To maximize the capital growth of my investments.
- b. To maintain regular income with some exposure to capital growth.
- c. To maintain the security of my investments while earning income to live on.
- d. To avoid any wide fluctuations in the value of my investments.

Risk Tolerance

It is important to understand the difference between volatility and risk when determining your comfort level with fluctuations in the value of your portfolio. Volatility in the market can be described as short-term fluctuations in the value of your portfolio. Risk, on the other hand, is the potential for loss of capital and a deviation from the expected outcome.

6. Which of the following statements best describes your understanding of the financial markets?
- I am an experienced investor. I've had exposure to various asset classes and am fully aware of the risks involved to gain high returns.
 - My awareness of the financial market is limited.
 - I have little awareness of the investment market. However, I have a desire to build my knowledge and understanding.
 - I have and knowledge and awareness of the financial markets, but I lack the time or interest to keep up to date or manage my own money.
 - I'm not familiar with investments or financial markets.
7. What statement best describes your preferred attitude toward investment risk?
- Investment risk usually leads to higher returns over the long term.
 - A diversified portfolio across a range of asset classes moderates risk.
 - Investing mainly in stable investments is the best way to minimize risk.
8. Below are some examples of five different portfolios and their potential gains and losses over a **one year** time period. Which of the sample portfolios would you feel most comfortable with having your money in?



- A – potential loss of 27% with a potential gain of 40%
 - B – potential loss of 20% with a potential gain of 31%
 - C – potential loss of 15% with a potential gain of 25%
 - D – potential loss of 10% with a potential gain of 18%
 - E – potential loss of 3% with a potential gain of 9%
9. The table below shows the anticipated performance of different portfolios over a **30-year** period. Keep in mind that you may not know at what point in this time frame you

will need to draw income from your investments. Which portfolio would you feel most comfortable with?

	Portfolio A	Portfolio B	Portfolio C	Portfolio D
Average Return	17.4%	12.2%	5.2%	3.7%
Highest Yearly Return	82%	54%	40%	15%
Lowest Yearly Return	-58%	-43%	-9%	0%

- a. Portfolio A
- b. Portfolio B
- c. Portfolio C
- d. Portfolio D

10. Which of the following statements best describes your attitude towards investment losses?

- a. If my portfolio suffered significant losses over a two year period and I still believed in my long-term strategy, I would remain fully confident of a recovery in performance.
- b. I take substantial day-to-day changes in stride. However I would start to feel very uneasy if I didn't recover any significant losses within a 2 year time frame.
- c. Daily losses make me uncomfortable, but are not cause for alarm. I would, however start to feel very uneasy if I made a loss on my investments over a 12-month period.
- d. I would check the value of my investments several times a month and feel uneasy if I began to lose money.
- e. I would lose sleep if there was even a low risk of capital loss in my investments.

11. Suppose the stock market performs unusually poorly over the next decade, what would you expect from your investments?

- a. To lose money
- b. To make very little or nothing
- c. To eke out a little gain
- d. To make a modest gain
- e. To be little affected by what happens in the stock market