

# Risk Tolerance Questionnaire



Client Name	Account Type	Account Number	Advisor Code
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## A. TIME HORIZON

1. I plan to begin taking money from my investments in:

- 1 year or less (0 points)
- 1 to 2 years (1 point)
- 3 to 5 years (2 points)
- 6 to 10 years (3 points)
- More than 10 years (4 points)

2. When making a long-term investment, I plan to keep the money invested for:

- 1 year or less (0 points)
- 1 to 2 years (1 point)
- 3 to 5 years (2 points)
- 6 to 10 years (3 points)
- More than 10 years (4 points)

## B. OBJECTIVES

3. When I invest my money, I am:

- Most concerned about my investment losing value in the short term (0 points)
- Most concerned about my investment gaining value over time (2 points)

4. Regarding my investment objectives:

- I prefer a mix of investments that exhibit the least amount of risk, where my principal investment is stable, even if it means I earn a lower rate. (0 points)
- I want investments that show steady long-term growth. I can assume some risk for the potential of long-term gain. (1 point)
- I am seeking to maximize long-term capital appreciation. As a result, I am comfortable with a more aggressive mix of investments, that may also exhibit higher levels of price volatility. (2 points)

## C. RISK TOLERANCE

5. Consider this scenario: Imagine that in the past three months your investment portfolio lost 25% of its value. What would you do?

- Sell all my shares (0 points)
- Sell some of my shares (1 point)
- Do nothing (2 points)
- Buy more shares (3 points)

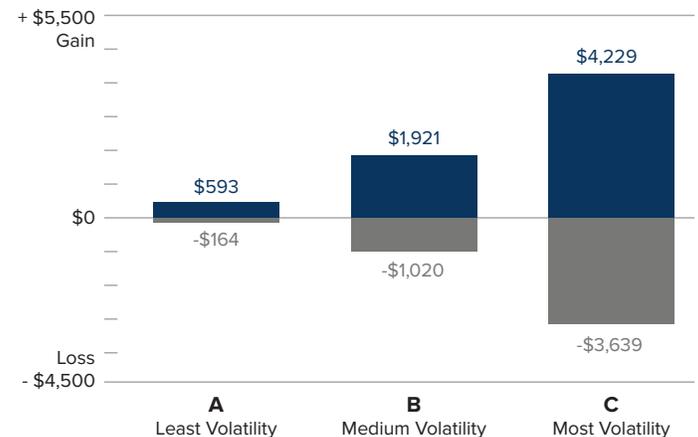
6. Generally, I prefer all my investments to have little or no fluctuation in value, and I'm willing to accept the lower return associated with these investments.

- Strongly agree (0 points)
- Agree (1 point)
- Somewhat agree (2 points)
- Disagree (3 points)
- Strongly disagree (4 points)

7. When reviewing my investments, I am likely to change to another investment if:

- The value of your account drops by 5% during a given year. (0 points)
- The value of your account drops by 20% during a given year. (1 point)
- No change is necessary just because my investments drop in value. Since prices are lower, buying more may be in order. (2 points)

8. The chart below shows the greatest 1-year loss and the highest 1-year gain on 3 different hypothetical investments of \$10,000.\* Given the potential gain or loss in any 1 year, I would invest my money in:



\*The maximum gain or loss on an investment is impossible to predict. The ranges shown in the chart are hypothetical and are designed solely to gauge an investor's risk tolerance.

- A (loss of \$164, gain of \$593) (0 points)
- B (loss of \$1,020, gain of \$1,921) (1 point)
- C (loss of \$3,639, gain of \$4,229) (2 points)

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## D. INVESTOR SUITABILITY AND EXPERIENCE

9. My current and future income sources (for example, salary, Social Security, pension) are:

- Very unstable (0 points)
- Unstable (1 point)
- Somewhat stable (2 points)
- Stable (3 points)
- Very stable (4 points)

10. In general, I would describe my knowledge of investments as (choose one):

- None (0 points)
- Limited (1 point)
- Good (2 points)
- Extensive (3 points)

### POINT TOTAL

- 1-6 points = Conservative
- 7-12 points = Moderately Conservative
- 13-18 points = Moderate
- 19-24 points = Moderately Aggressive
- 25-30 points = Aggressive

MY RISK TOLERANCE IS: \_\_\_\_\_

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

\_\_\_\_\_  
Client Name (print)

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Joint Client Name (print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Advisor Signature

\_\_\_\_\_  
Advisor Name (print)

\_\_\_\_\_  
Date