



## RISK ASSESSMENT

This assessment is designed to help us understand your feelings regarding market fluctuations. This information is valuable in working with you to achieve your financial goals.

Name \_\_\_\_\_ Date \_\_\_\_\_

## 1. INVESTOR LIFE CYCLE

Which of the following best describes your current life stage?

- A** Early Accumulation \_\_\_\_\_ 20-40 years before retirement
- B** Mid Accumulation \_\_\_\_\_ 10-20 years before retirement
- C1** Pre-Retirement \_\_\_\_\_ 0-10 years before retirement
- C2** Early Retirement \_\_\_\_\_ 0-10 years into retirement
- D** Mid Retirement \_\_\_\_\_ 10-20 years into retirement
- E** Senior Retirement \_\_\_\_\_ 20-30 years into retirement

## 2. INVESTMENT EXPERIENCE

What is your overall knowledge of investments?

- A NONE**
- B LOW** – I have very little investment experience outside of bank savings account, money market or certificates of deposit (CDs)
- C MEDIUM** – I have some experience investing in mutual funds or individual stocks/bonds
- D HIGH** – I have been an active participant in the stock market and understand that all investments, including international markets, can be volatile and unpredictable.

## 3. 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 see, the more risk you face. Based on your feelings about risk and potential returns, your goal is:

- A** To minimize swings in my portfolio's value, even if it does not keep pace with inflation.
- B** For growth to at least keep up with inflation, with the risk of modest swings in my portfolio's value.
- C** For growth to exceed inflation, with the risk of moderate to larger swings in my portfolio's value.
- D** For growth to significantly exceed inflation, with the risk of larger swings in my portfolio's value.



#### 4. INVESTMENT APPROACH

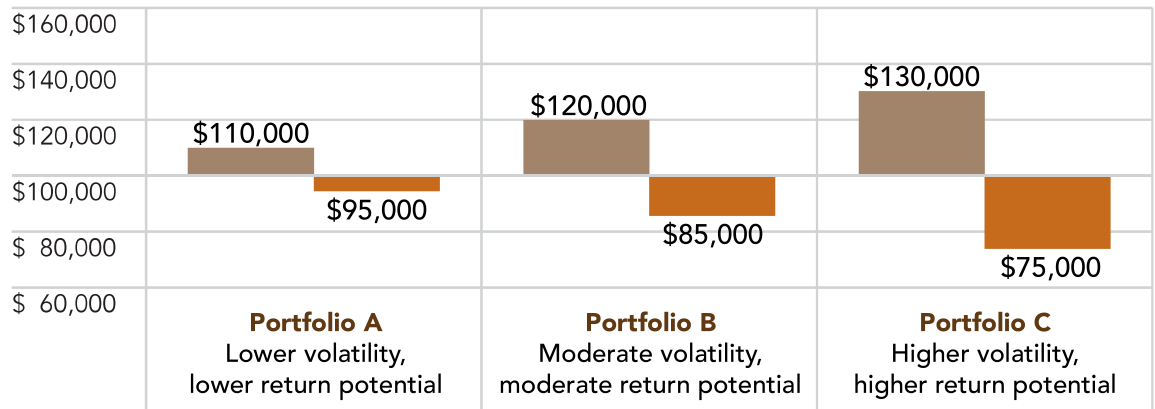
Which of the following statements describes your overall approach to investing as a means of achieving your financial goals?

- A INCOME:** I prefer investments that may generate more consistent returns year to year, with a primary focus on generating income. I prefer a low level of fluctuations and risk of declines over time.
- B GROWTH AND INCOME:** I prefer investments that balance my growth objectives with my income needs. I prefer a modest amount of fluctuations and risk of declines over time.
- C GROWTH:** I am willing to own investments with a higher degree of fluctuations and risk of declines in exchange for the potential to achieve higher average returns over time.

#### 5. RISK OF LOSS

The table below shows the potential high and low values in a given year for three different portfolios, each based on an initial portfolio value of \$100,000. Which one of the portfolios would you prefer?

- PORTFOLIO A:** Lower fluctuations & return potential
- PORTFOLIO B:** Moderate fluctuations & return potential
- PORTFOLIO C:** Higher fluctuations & return potential



(This is a hypothetical example for illustration purposes only and does not represent an actual investment)



## 6. EMOTIONAL VARIANCE

Which statement best describes how you feel about the trade-off between potential returns and declines?

- A** I am more focused on potential declines in my portfolio’s value. The return is of secondary importance.
- B** The potential for declines is equally important to me as the potential return.
- C** I am more focused on the return potential of my portfolio than on potential declines.

## 7. VOLATILITY

There have been several periods in history in which the value of the market has dropped 25 % or more in a year. If the value of your portfolio fell from \$100,000 to \$75,000 (25%) in a year, how would you react?

- A** It would depend on the investment.
- B** I would be concerned and would consider moving to other investments if the declines continued.
- C** I would leave my investments as is and continue with my long-term strategy.
- D** I would view this as an opportunity and would consider investing more if I had available funds.

## 8. PORTFOLIO VARIATION

There is a trade-off between larger potential short-term fluctuations and a portfolio’s long-term potential.

Which one of the following portfolios would you be most comfortable with?

	<b>Long Term Avg. Return</b>	<b>Possible Gain in 12 Mos.</b>	<b>Possible Decline in 12 Mos.</b>
<input type="checkbox"/> <b>PORTFOLIO A</b>	4%	15%	-10%
<input type="checkbox"/> <b>PORTFOLIO B</b>	5.5%	25%	-20%
<input type="checkbox"/> <b>PORTFOLIO C</b>	7%	35%	-30%

## COMMENTS

---



---



---



---



---

