



## RISK TOLERANCE QUESTIONNAIRE

Name:

Date:

### PROFILE QUESTIONS

1. When do you expect to start drawing income?
  - Not for at least 20 years
  - In 10 to 20 years
  - In 5 to 10 years
  - Not now, but within 5 years
  - Immediately, but it still needs to last at least 10 years.
  - Immediately, and it will most likely be depleted within 10 years.

### RISK QUESTIONS

2. Which of these statements would best describe your attitudes about the next three years performance of this investment?
  - I don't mind if I lose money
  - I can tolerate a loss
  - I can tolerate a small loss
  - I'd have a hard time tolerating any losses
  - I need to see at least a little return
3. Which of these statements would best describe your attitudes about the next three months' performance of this investment?
  - I wouldn't worry about losses in that time frame
  - If I suffered a loss of greater than 10%, I'd get concerned
  - I can only tolerate small short-term losses
  - I'd have a hard time stomaching any losses
4. Which of the following best describes the risk profile that you have in mind for this investment portfolio?
  - Moderate risk investments with some high and some low risk investments
  - Low risk investments
  - High risk investments

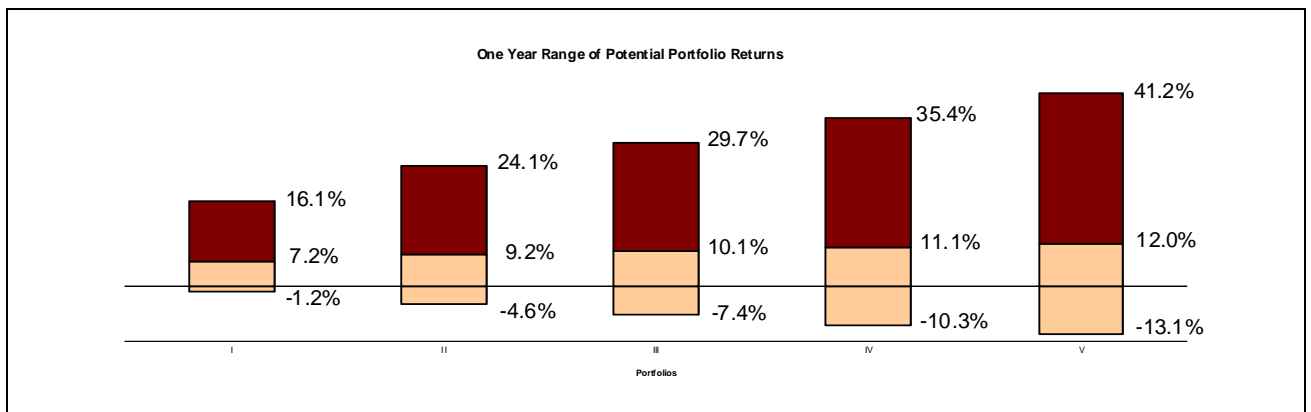
## RETURN QUESTIONS

5. Given the fact that over the long run (from 1927 to 2002) U.S. stocks have generated historical returns of about 10-12%, U.S. bonds have returned 5-6%, money markets have returned 3-4% and U.S. inflation has been approximately 3%, what do you expect the total return of your investment to be over the long-term?
- 0 – 4%
  - 5 – 6%
  - 7 – 10%
  - More than 10%
6. Which of the following best describes your attitude toward inflation and your investments?
- My goal is to maintain current assets and I am relatively unconcerned that inflation may eventually erode the value of my investments.
  - My goal is to just keep pace with inflation. The safety and stability of my investments are more important than real growth.
  - My goal is to marginally exceed inflation over time, but not to take excessive risk in doing so. I would attempt to balance risky investments with safe investments.
  - My goal is to outperform inflation over time by taking more risks with my portfolio with the understanding that inflation is one of the biggest obstacles to my financial success.
  - My goal is to substantially outpace inflation and improve my lifestyle over time by seeking maximum growth from my investments with minimal concern for risk.
7. Where do you anticipate the stock market to be in:
- Much Lower      Lower      No Change      Higher      Much Higher
- a. 3 years?  
b. 5 years?  
c. 10 years?

## RISK/RETURN TRADE-OFF QUESTIONS

8. What is your goal for this investment?
- To grow aggressively
  - To grow significantly
  - To grow moderately
  - To grow with caution
  - To avoid losing money

9. Assuming normal market conditions, what would you expect from this investment over time?
- To generally keep pace with the stock market in both return and risk
  - To slightly trail the stock market, but make a good profit
  - To trail the stock market, but make a moderate profit
  - To have some stability, but make modest profits
  - To have a high degree of stability, but make small profits
10. An investment decision involves the possibility of high return as well as the possibility of suffering a loss. What influences your thinking the most when making an important decision?
- I'm mainly influenced by the potential gain.
  - I'm more influenced by the potential loss than the potential gain.
  - I'm more influenced by the potential gain than the potential loss.
  - I'm mainly influenced by the potential loss.
11. Each year, the value of your investment portfolio will fluctuate as markets change. If you invested \$500,000, which of the following portfolios would you choose?
- Portfolio I
  - Portfolio II
  - Portfolio III
  - Portfolio IV
  - Portfolio V



12. In seeking the highest level of returns for my investments, I am willing to tolerate:
- Monthly losses that exceed 2% on average three to five times per year.
  - Only very minimal monthly losses and rarely losses that exceed 2%.
  - Monthly losses of more than 5% if it allows me to stay fully invested to meet my objective of long-term growth.
  - No losses that approach 2% over the period of any single month.

13. For each of the following, indicate how important each is to the management of your portfolio:

	Very Important	Important	Somewhat Important	Not Important
Growth				
Inflation				
Safety				
Income				
Aggressive Growth				