

## Risk Tolerance Questionnaire



### Investment Statements

Show how much you Agree or Disagree with each of the following investment statements by marking the appropriate box at the end of each sentence.

Statement		Disagree				Agree
		1	2	3	4	5
#1	I can accept minor fluctuations in my account value in exchange for more income.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
#2	I can accept a small risk of loss and somewhat larger fluctuations in my account value in exchange for conservative growth opportunity and the possibility of more income.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
#3	I can accept a greater risk of loss and greater fluctuations in my account value in exchange for more aggressive growth opportunities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
#4	I can accept the risk of significant losses and large fluctuations in my account value in exchange for very aggressive, rapid growth opportunities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Describe your knowledge of investments.

- None    
  Limited    
  Good    
  Extensive

### Which of the following would best describe your reaction to short-term fluctuations in this investment portfolio?

- I would be extremely uneasy about any fluctuations in the value of the investment portfolio.
- I would be very concerned about short-term fluctuations in the value of the investment portfolio, but not to the extreme.
- I would have some concern about short-term fluctuations in the value of the investment portfolio.
- I would have very little concern about short-term fluctuations in the value of the investment portfolio.

### How long would you be prepared to recover from a downward fluctuation in the portfolio?

Except for the Great Depression, the longest time investors have had to wait after a market crash or a really bad market decline for their portfolio to return to its earlier value has been: 4 years for stock and 2 years for bond investments. Knowing this, and knowing that it is impossible to protect an Investor from an occasional loss, if you choose to invest at least some of the portfolio in stocks, please check one of the following to indicate how long you would be prepared to wait out a drop in the portfolio's value:

- Less than one year.\*
- Between one and two years.\*
- Between two and three years.\*
- Over three years.

\* If you selected a period of three years or less, are you prepared to substantially reduce your goals as a result of not being willing to accept risk?  Yes  No

### Which statement best reflects your attitude about investing in the equity markets?

- I am unwilling to experience any reduction in the value of the investments.
- I can tolerate infrequent, very limited declines (less than 10%) through difficult phases in a stock market cycle.
- I can tolerate limited declines (10-20%) through difficult phases in a stock market cycle.
- I can tolerate periods of moderately negative returns (declines of 20-35%) to achieve potentially higher investment returns and recognize and accept that negative returns could persist for a year and possibly longer.
- I can tolerate periods of significant negative returns (greater than 35%) for the chance to maximize their long-term returns and recognize and accept that negative returns could persist for a year and possibly longer.

### Which statement best describes your actions during the 2008-2009 market downturn and partial recovery?

Client 1    Client 2

- |                          |                          |   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Had already sold out near the top.                              |
| <input type="checkbox"/> | <input type="checkbox"/> | Bought more   |
| <input type="checkbox"/> | <input type="checkbox"/> | Sold quickly to avoid further losses.                           |
| <input type="checkbox"/> | <input type="checkbox"/> | Sold near the bottom and was late to get back in.               |
| <input type="checkbox"/> | <input type="checkbox"/> | Continued to hold through the downturn and sold on way back up. |
| <input type="checkbox"/> | <input type="checkbox"/> | Continued to hold through the downturn and recovery.            |
| <input type="checkbox"/> | <input type="checkbox"/> | Not invested during that time.                                  |
| <input type="checkbox"/> | <input type="checkbox"/> | Other   |

## Investing Attitudes

Check the boxes next to the statements that most accurately reflect your attitudes about investing.

Client 1   Client 2

- |                          |                          |   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | I am more concerned about protecting my assets than about growth.                 |
| <input type="checkbox"/> | <input type="checkbox"/> | I feel comfortable with aggressive growth investments.                            |
| <input type="checkbox"/> | <input type="checkbox"/> | I prefer the ease of mutual funds to trying to pick winning stocks.               |
| <input type="checkbox"/> | <input type="checkbox"/> | Professional advisors and mutual funds may achieve higher growth than I can.      |
| <input type="checkbox"/> | <input type="checkbox"/> | I prefer investments that promise slow, long-term appreciation and growth.        |
| <input type="checkbox"/> | <input type="checkbox"/> | I don't brood over bad investment decisions I've made.                            |
| <input type="checkbox"/> | <input type="checkbox"/> | I don't like surprises.   |
| <input type="checkbox"/> | <input type="checkbox"/> | I am optimistic about my financial future.  |
| <input type="checkbox"/> | <input type="checkbox"/> | My immediate concern is for income rather than opportunities.                     |
| <input type="checkbox"/> | <input type="checkbox"/> | I am a risk taker.  |
| <input type="checkbox"/> | <input type="checkbox"/> | I make investment decisions comfortably and quickly.                              |
| <input type="checkbox"/> | <input type="checkbox"/> | I like predictability and routine in my daily life.                               |
| <input type="checkbox"/> | <input type="checkbox"/> | I usually pick the tried and true, the slow, safe but sure investments.           |
| <input type="checkbox"/> | <input type="checkbox"/> | I need to focus my investments on stable funds and insurance rather than growth.  |
| <input type="checkbox"/> | <input type="checkbox"/> | I prefer predictable, steady returns on my investments even if the return is low. |

**Investment  
Input**

Please answer the following questions:

How do you define financial success?


What do you want to most be remembered for?

--

What lessons about money would you like to pass on to your kids/grandkids?


Regarding your finances, what, if anything, do you spend the most time thinking about?


Are there things in your financial life that you wish you had done differently?


What is your first memory about money?


What is the best investment decision you have ever made?


What is the worst decision about money you ever made?


What do you hope will be different in your financial life one year from today as a result of working with a financial planner/advisor?


**List at least five things you'd like to do, see, be, experience, or have in your lifetime:**  
(feel free to add more!)

**Client One:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

**Client Two:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_