

***Confidential Portfolio and Risk Tolerance Questionnaire***

**Notes:**

1) What's the value of the portfolio? \$ \_\_\_\_\_

What percentage of your total investments are represented by the portfolio? \_\_\_\_\_ %

2) Is there an immediate or near term need for income?  **Yes**  **No**

If so, how much and in what frequency would you prefer your income?

\_\_\_\_\_

\_\_\_\_\_

3) Would significant cash withdrawals of principal be made over the next five years?

**Yes**  **No**

If yes, please explain: \_\_\_\_\_

4) Investment time horizon (the number of years you expect portfolio to be invested before you must dip into principal):

**Less than 2 years**  **2-3 years**  **3-5 years**  **5-10 years**  **Over 10 years**

5) What is your expected annualized total rate of return over the time period you selected in question #4?

**6-8%**  **8-10%**  **10-12%**  **12-14%**  **Over 14%**

6) How important are the following to your portfolio (1=not important to 6=very important).

***Please circle one in each category:***

- A) Capital Preservation
- B) Growth
- C) Volatility
- D) Inflation Protection
- E) Current Cash Flow (Income)
- F) Aggressive Growth
- G) Restrictions/Constraints
- H) Tax Efficiency

Low		(Importance)		High	
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6
1	2	3	4	5	6

7) What percent of your investments are you likely to need at anytime within the next five years?  
\_\_\_\_\_ %

8) Up to what percentage of this portfolio can be invested in long-term investments over five years? \_\_\_\_\_ %

9) Except for the great depression, the longest time investors have had to wait after a market crash or severe market decline for the average portfolio to return to its earlier value has been four years for stocks and two years for bonds. Knowing this, and that it is impossible to protect yourself from an occasional loss, please answer the following question:

If the portfolio produces a long term return that allows me to accomplish my goals, I am prepared to live with a time of recovery of:

**Less than 1 year**  **1-2 years**  **2-3 years**  **3-4 years**  **Over 4 years**

10) I'd rather be out of the stock market when it goes down than in the stock market when it goes up?  
 **True**  **False**

**RISK ASSESSMENT PORTION:**

- I. A) You win \$80,000 do you take the cash or  
 B) Pick from a **container that has 8 white balls and 2 black balls**. If you pick a white ball you get \$100,000 cash, but if a black ball is picked you get zero.  
 Which do you choose? -  A or  B (Check one box)
- II. A) You lose \$80,000 or  
 B) You have 80% chance of losing \$100,000. If you pick a white ball you lose \$100,000, but pick a black ball you lose nothing.  
 Which do you choose? -  A or  B (Check one box)
- III. A) You lose \$80,000 or  
 B) You have a 20% chance of losing \$100,000. If you pick a white ball and you lose nothing, but pick a black ball and you lose \$100,000.  
 Which do you choose? -  A or  B (Check one box)

IV. Over an investment cycle of 5-7 years, some investments experience very different returns from year to year. The table below shows the annual change in value of five hypothetical \$100,000 portfolios. Please select the one whose five year hypothetical return is best suited for your goals and tolerance for short-term losses in a given year.

	Initial Investment	Annual Dollar Change in Value				
		Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5
<input type="checkbox"/> Portfolio A	\$100,000	-14,000	+30,800	+30,600	-6,700	+42,500
<input type="checkbox"/> Portfolio B	\$100,000	-8,000	+27,000	+22,100	-4,200	+33,700
<input type="checkbox"/> Portfolio C	\$100,000	-6,000	+18,800	+17,900	-1,300	+24,600
<input type="checkbox"/> Portfolio D	\$100,000	+1,000	+8,800	+12,800	+3,600	+17,300

V. Please select which portfolio is best suited for you and explain why.

	Total Annual Returns				
	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5
<input type="checkbox"/> Portfolio 1	15%	15%	15%	15%	-15%
<input type="checkbox"/> Portfolio 2	7%	7%	7%	7%	7%

Why? \_\_\_\_\_  
 \_\_\_\_\_

**INVESTMENT POLICY STATEMENT:**

*Stated Goals and Objectives:*

- 1) \_\_\_\_\_  
 2) \_\_\_\_\_  
 3) \_\_\_\_\_

*Restrictions and/or constraints:*

*Maximum percentage per investment:* \_\_\_\_\_%      *Maximum percentage per sector:* \_\_\_\_\_%

Account (or Portfolio) \_\_\_\_\_

Registration: \_\_\_\_\_

Tax Advisor/CPA: \_\_\_\_\_

Approx. Net Worth: \$ \_\_\_\_\_

Approx. Annual Income: \$ \_\_\_\_\_

Attorney: \_\_\_\_\_

Investment Experience: \_\_\_\_\_ Years

Signature: \_\_\_\_\_

Date