

## Investor Risk and Financial Goal Profile

Client Name:

Date:

Advisor Name:

**RISK TAKING ABILITY – These questions help us understand your time horizon until you withdraw money from your portfolio, need for liquidity and capacity to deal with a financial loss.**

- 1. How many years are you from beginning to withdraw money from your portfolio?**
  - Immediately
  - Within the next 3 years
  - From 3 to 7 years
  - From 7 to 12 years
  - I don't anticipate withdrawals from my portfolio for at least 12 years.
  
- 2. Once you begin withdrawals, over how many years do you expect to draw down assets from this portfolio?**
  - Less than 5 years
  - 5 to 10 years
  - More than 10 years
  
- 3. Once you begin, or if you have already begun, what percentage of your portfolio's value will you withdraw annually?**
  - N/A – I don't anticipate withdrawals from my portfolio.
  - I am not sure.
  - Less than 3%
  - 3% to 5%
  - 5% to 7%
  - Greater than 7%
  
- 4. What percentage of your portfolio's value do you expect to add over the next five years?**
  - I am not sure.
  - None – I do not plan to make further contributions to this portfolio.
  - Less than 10%
  - 10% or greater
  
- 5. If a surprise circumstance were to require an amount of capital equal to 10% of the value of this portfolio, where would you obtain the money?**
  - All from this portfolio.
  - All from other savings and investments.
  - Some from this portfolio and some from other savings and investments.
  
- 6. How many months of living expenses do you currently have in an "emergency" reserve?**
  - Less than 1 month or no emergency reserve
  - Between 1 and 3 months
  - 3 to 12 months
  - More than 12 months

**7. What long-term average rate of return does your financial plan assume is necessary to accomplish your goals?**

- I do not know.
- 3% or less
- 3% to 5%
- 5% to 7%
- 7% or more

**BEHAVIORAL LOSS TOLERANCE – The following questions help us understand your pattern of behaviors, experience, attitudes, and preferences that may affect your ability to successfully invest through periods of portfolio volatility.**

**8. How would you describe your level of experience with these categories of investments:**

	<b>Stocks</b>	<b>Bonds</b>	<b>Alternative Investments</b>
Very inexperienced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Somewhat inexperienced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Experienced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Somewhat experienced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very experienced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**9. How would you describe your tolerance for volatility?**

- Somewhat Conservative: Able to accept modest fluctuations, but nothing significant.
- Aggressive: Willing to tolerate severe declines in pursuit of the highest returns.
- Moderate and Balanced: Able to accept moderate fluctuations without issue.
- Very Conservative: I am unwilling to experience downward fluctuations in my portfolio.

**10. Which of the following statements best describes your reaction during the most recent declines in the value of your investments?**

- I was upset but avoided monitoring the value and hoped it would come back.
- Desire to find a higher risk investment to make up for the loss.
- High levels of anxiety and frustration.
- Accepted that volatility, declines and losses are part of investing.

**11. The larger a portfolio declines, the longer it takes to recover and get back to break even. How do you feel about the relationship between portfolio declines and time to recover?**

- I could handle a decline over a 2–3-year period, but longer than that would bother me a lot.
- A decline over just a few months is the longest period of decline that I could tolerate.
- I could handle a 1–2-year decline, but do not want to pursue a strategy that could result in a longer period of loss.
- I can accept being down over longer than 3 years if my long-term return potential was high.
- I could handle losses over 12 months but would not be comfortable subjecting myself to longer down periods.

**12. I was investing in the U.S. stock market during which of the following (check all that apply).**

- The one-day crash of over 20% in 1987.
- The three-year Dot-Com bubble-bursting bear market of 49% from 2000 – 2002.
- The 57% decline over seventeen months surrounding the Great Financial Crisis of 2007 - 2009.
- The Covid 2020 crash when stocks plummeted 34% over five weeks.

**13. Considering your financial plan, which of the following best describes your expectation for your portfolio's return relative to inflation?**

- I am trying to significantly grow my wealth and want my return to meaningfully exceed the rate of inflation. I am willing to experience large fluctuations in my portfolio.
- I want to preserve my portfolio's current purchasing power and would be satisfied if my returns simply kept pace with inflation at relatively low risk.
- I am seeking returns that exceed inflation over the long term, but do not want to experience the volatility necessary to pursue the highest returns.
- I don't need the portfolio to keep pace with inflation. Preserving capital and minimizing declines in value are my primary goals.

**14. How do you feel about the following statement: "I constantly worry about the stock market's short-term fluctuations and how it affects my portfolio and financial plan."**

- Strongly agree.
- Somewhat agree.
- Somewhat disagree.
- Strongly disagree.

**15. Considering that the pursuit of higher returns typically requires increased short-term volatility, what potential worst case one-year return could you accept in pursuit of higher returns?**

- 5% decline
- 10% decline
- 15% decline
- 20% decline
- 30% decline
- 45% decline

**16. How comfortable are you investing in Alternative or Private Investment vehicles that do not have daily liquidity, meaning they cannot be sold daily like regular stocks and bonds?**

- I am uncomfortable with any investment vehicle that cannot be promptly sold on short notice. I understand that this preference could limit my overall returns and increase portfolio volatility.
- I am comfortable with up to 12% of my portfolio in non-liquid investments.
- I am comfortable with up to 24% of my portfolio in non-liquid investments.
- I want to pursue the most attractive risk/reward investments available, regardless of liquidity, and am comfortable with as much as 35% of my portfolio in non-liquid investments.
- I do not fully understand this trade off and wish to learn more about it.

**17. Please enter your current portfolio asset allocation in whole numbers. If you do not know your current asset allocation, leave this question blank.**

- \_\_\_\_% Cash / Emergency reserve
- \_\_\_\_% Bonds
- \_\_\_\_% Stocks
- \_\_\_\_% Alternative Investments
- \_\_\_\_% Investment Real Estate (not liquid)

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