

Risk Profile



NAME: _____

Date: _____

Your investment objective is based on many factors, including your **time horizon, financial goals and risk tolerance**. Risk is an unavoidable part of investing but by clearly defining your risk tolerance we will be better prepared to choose the most appropriate investment allocation for your portfolio. This questionnaire should be used as a *tool* to help determine your needs and should not be viewed as the sole determinant of your investment allocation.

Please circle your indicated answer to each question and fill in the scorecard on the last page to determine your portfolio objective.

Question 1 of 10: What best describes your investment objective?	Score
Principal preservation with no focus on income or growth	1
Primarily regular income and secondarily growth of principal	2
Primarily growth of principal and secondarily regular income	3
Long-term growth with little focus on current income	4
Aggressive growth over a long-time investment horizon	5
Question 2 of 10: What is the earliest you would need a withdrawal of your investment?	
Less than 2 years	1
2-5 years	2
6-10 years	3
11-20 years	4
Greater than 20 years	5
Question 3 of 10: Over how long of a period will you withdraw funds once you begin?	
Lump sum or less than 1 year	1
1-5 years	2
6-10 years	3
11-15 years	4
16 + years	5
Question 4 of 10: Which statement explains your <i>greatest</i> concern when selecting an investment?	
Potential for loss	1
Mostly potential for loss, but some potential for gain	2
Mostly potential for gain, but some concern for loss	4
Potential for gain	5

Risk Profile

Question 5 of 10: Which statement best identifies your feelings about investment risk? I would choose ...	Score
Only investments with low risk associated with them	1
A mix of investment, most having low risk and the minority in high risk	2
A mix of investment, most having high risk and the minority in low risk	4
Only investments with high risk associated with them	5
Question 6 of 10: Which of the following statement would best describe your reaction if the value of your portfolio was to suddenly decline by 20%?	
I would be very concerned because I cannot accept fluctuations in the value of my portfolio	1
If the amount of income I received was unaffected, it would not bother me.	2
Although I invest for the long-term, even a temporary decline would bother me.	3
I would not be concerned about the decline in value, although I would not be willing to add new monies to the portfolio.	4
I would not be concerned about the decline in value. I would add new monies to the portfolio.	5
Question 7 of 10: How do you feel about this statement: "I prefer investments with <i>little</i> fluctuations in value. I'm willing to accept the lower return associated with these investments"?	
Agree	1
Somewhat agree	2
Neutral	3
Somewhat disagree	4
Disagree	5
Question 8 of 10: When you think of the word "risk" which of the following words first come to mind?	
Loss	1
Uncertainty	2
Opportunity	4
Thrill	5
Question 9 of 10: Given the best- and worst-case returns of the four investment choices below, which would you prefer?	
\$1,000 gain best case; \$0 gain/loss worst case	1
\$5,000 gain best case; \$1,000 loss worst case	2
\$10,000 gain best case; \$5,000 loss worst case	4
\$25,000 gain best case; \$20,000 loss worst case	5

Risk Profile

Question 10 of 10: The value of this investment represents how much of your overall net-worth?		Score
80-100%		1
60-79%		2
40-59%		3
20-39%		4
0-19%		5
		Total Score: _____

Score	Portfolio Objective	General characteristics
10-15	Income with Capital Preservation	Need for capital preservation and current income. No focus on growth. Lowest tolerance for risk. Shortest time horizon.
16-25	Income with Moderate Growth	Need for current income. Moderate focus on growth. Low tolerance for risk. Short/intermediate time horizon.
26-35	Growth and Income	Equal focus on growth and current income. Moderate tolerance for risk. Intermediate time horizon.
36-45	Growth	Little or no need for current income. Focus on growth. High tolerance for risk. Intermediate/long investment horizon
46-50	Aggressive Growth	No need for current income. Focus on aggressive growth. Highest tolerance for risk. Long investment horizon.

Notes: