

Risk tolerance assessment

Your answers help us understand how you feel about investment risk. Each person should choose one answer to all six questions independently. Write the answer letter in your own field. If unsure, leave it blank for discussion; an unanswered question is not scored as zero.

CLIENT NAME

DATE

CO-CLIENT NAME

DATE

GOAL OR ACCOUNT BEING DISCUSSED

01 How concerned are you about inflation

Growth investments, such as stocks, have the potential to outpace inflation but also generally have larger swings in value. Cash and fixed-income investments, such as bonds, may be more stable over time but also may not keep up with inflation. Based on this information, which statement do you most agree with:

- A My goal is to minimize swings in my portfolio's value, even if growth does not keep pace with inflation.
- B My goal is for growth to at least keep pace with inflation, with the risk of modest swings in my portfolio's value.
- C My goal is for growth to exceed inflation, with the risk of modest to larger swings in my portfolio's value.
- D My goal is for growth to significantly exceed inflation, with the risk of larger swings in my portfolio's value.

QUESTION 1 / ANSWER LETTER

Client

Co-client

02 Which statement best describes your personal investment philosophy

- A Income: I prefer investments that may generate more consistent (but most likely lower) returns year to year, with a primary focus on generating income. I prefer a low level of fluctuations and risk of declines over time.
- B Growth and income: I prefer investments that balance my growth objectives with my income needs. I prefer a modest number of fluctuations and risk of declines over time.
- C Growth: I am willing to own investments with a higher degree of fluctuations and risk of declines in exchange for the potential to achieve higher average returns over time.

QUESTION 2 / ANSWER LETTER

Client

Co-client

Risk choices & trade-offs

CLIENT / CO-CLIENT

DATE

03 How comfortable are you with potential fluctuations in your portfolio

For an initial portfolio of \$100,000, which range of potential high and low values in a year would you prefer? Choose one.

Choice	Potential high	Potential low	Fluctuations and return potential
A	\$115,000	\$90,000	Smaller fluctuations, lower return potential
B	\$125,000	\$80,000	Moderate fluctuations, moderate return potential
C	\$135,000	\$70,000	Larger fluctuations, higher return potential

QUESTION 3 / ANSWER LETTER

Client

Co-client

04 Which statement best describes how you feel about the trade-off between potential returns and declines

- A I'm more focused on potential declines in my portfolio's value. The return I achieve is of secondary importance.
- B The potential for declines is equally important to me as the potential return.
- C I am more focused on the return potential of my portfolio than on potential declines.

QUESTION 4 / ANSWER LETTER

Client

Co-client

05 How would you react to a significant decline

If your portfolio fell from \$200,000 to \$150,000, a 25% decline in one year, how would you react?

- A I would move my money to different investments to reduce the potential for more declines, even if this means missing a potential recovery.
- B I would be concerned and would consider moving into different investments if the declines continued.
- C I would leave my money where it is and continue according to my long-term strategy.
- D I would view this as an opportunity and would consider investing more if I had the money available.

QUESTION 5 / ANSWER LETTER

Client

Co-client

Questions 3 and 6 use hypothetical illustrations, not forecasts or guarantees. Actual returns may differ and losses may exceed the illustrated declines.

Portfolio preferences & fit

CLIENT / CO-CLIENT

DATE

06

Which portfolio would you be most comfortable with

Consider the trade-off between larger short-term fluctuations and long-term growth potential. Choose one portfolio.

Choice	Long-term average return	Possible one-year gain	Possible one-year decline
A	4%	15%	-10%
B	5.5%	25%	-20%
C	7%	35%	-30%

QUESTION 6 / ANSWER LETTER

ClientCo-client

Questions 3 and 6 use hypothetical illustrations, not forecasts or guarantees. Actual returns may differ and losses may exceed the illustrated declines.

PERSONAL CONTEXT / NOT SCORED

How confident are you that your current investments match your comfort with risk? These follow-up questions are not scored.

Client

☐ Very

☐ Somewhat

☐ Not confident

☐ Unsure

Co-client

☐ Very

☐ Somewhat

☐ Not confident

☐ Unsure

DOLLAR DECLINE AFFORDABLE WITHOUT CHANGING ESSENTIAL SPENDING

Client \$

Co-client \$

PAST LOSSES, CONCERNS OR WHAT MIGHT KEEP YOU AWAKE AT NIGHT

VALUES-FILTERED INVESTING

Familiar?

☐ Yes

☐ No

Explore?

☐ Yes

☐ No

☐ Unsure

INVESTMENTS TO AVOID, RESTRICTIONS OR REASONS

Your risk score

Use the point key below to convert each answer letter. Add all six values separately for each person. Do not average the two scores. If any answer is missing or more than one answer is selected, mark that person's assessment incomplete until clarified.

Question	A	B	C	D	Client points	Co-client points
1	0	5	12	17	_____	_____
2	0	8	16	-	_____	_____
3	0	8	16	-	_____	_____
4	0	8	17	-	_____	_____
5	0	6	12	17	_____	_____
6	0	8	17	-	_____	_____
Total					_____ / 100	_____ / 100

FIND YOUR RISK TOLERANCE BAND

0-18 Low	19-39 Low to medium	40-59 Medium	60-79 Medium to high	80-100 High
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CLIENT

Risk band _____

Completed on _____

☐ Complete ☐ Incomplete / discuss

CO-CLIENT

Risk band _____

Completed on _____

☐ Complete ☐ Incomplete / discuss

☐ Not applicable

DISCUSS THE RESULT IN THE CONTEXT OF YOUR LIFE

The score describes comfort with risk. We also need to understand how much risk you can afford, when you will need the money, your income needs, and the goals this account supports. The score alone does not determine an investment allocation.

ANY ANSWER TO REVISIT OR DIFFERENCE TO DISCUSS

REVIEWED WITH _____

DATE _____

Educational use only. No tax, legal or investment advice is provided.
Discuss your circumstances with your team of professionals.

Retirement time horizon

This table is a starting point for discussion about a retirement goal. Match each person's risk band to the relevant stage. Different goals or accounts may need different investment objectives.

CLIENT STAGE			CO-CLIENT STAGE		
Risk band	26+ years until retirement	16-25 years until retirement	15 years or fewer until retirement	Retired with more than 10 years ahead	Age 80+ and/or 10 years or fewer ahead
High	Growth focus	Growth focus	Growth focus	Balanced toward growth	Balanced toward growth
Medium to high	Growth focus	Growth focus	Growth focus	Balanced toward growth	Balanced growth and income
Medium	Growth focus	Growth focus	Balanced toward growth	Balanced growth and income	Balanced toward income
Low to medium	Growth focus	Balanced toward growth	Balanced toward growth	Balanced growth and income	Balanced toward income
Low	Balanced toward growth	Balanced growth and income	Balanced growth and income	Balanced toward income	Income focus

Guide assumptions: Retirement begins no later than age 73. For the three columns before retirement, the guide assumes more than 20 years in retirement. If these assumptions do not fit, or more than one retirement column applies, discuss the appropriate horizon rather than forcing a result.

DISCUSSION STARTING POINTS

CLIENT

CO-CLIENT

Review both people's needs, financial capacity and goals together before deciding on an investment strategy. This form does not authorize a transaction.