



Risk Tolerance Questionnaire

Introduction

Many objective and subjective factors must be taken into account in attempt to determine an individual's risk tolerance level. This questionnaire is one of the tools we utilize.

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.					
#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.					
#3	I can accept a greater risk of loss and greater fluctuations in my account value in exchange for more aggressive growth opportunities.					
#4	I can accept the risk of significant losses and large fluctuations in my account value in exchange for very aggressive, rapid growth opportunities.					

#5	Capital preservation is important?					
#6	Growth is important?					
#7	Low volatility is important??					
#8	Inflation protection is important??					
#9	Current cash flow is important??					
#10	I am willing to take risk to achieve a higher return?					

Risk Tolerance Questionnaire, Continued

Investment Decisions

Please answer both **Part 1** and **Part 2** below:

Part 1 For each of the two investment decisions below, check the option with which you are most comfortable.

Decision 1 Choose between

- a. A sure gain of \$25,000.
- OR
- b. A 25% chance of winning \$100,000 and a 75% chance of winning nothing.

Decision 2 Choose between

- a. A 75% chance of winning nothing.
- OR
- b. A 75% chance of losing \$100,000 and a 25% chance of losing nothing.

Part 2 For each of the two investment decisions below, check the option with which you are most comfortable.

Decision 1 Choose between

- a. A sure gain of \$250.
- OR
- b. A 25% chance of winning \$1,000 and a 75% chance of winning nothing.

Decision 2 Choose between

- a. A sure loss of \$750.
- OR
- b. A 75% chance of losing \$1,000 and a 25% chance of losing nothing.

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Risk Tolerance Questionnaire, Continued

**Investment
Input**

Please answer the following questions:

For your current investments, what has been your annual rate of return? _____ %

Have you been satisfied with that return? Yes No

If no, why not? _____

What percentage of your portfolio can you afford to lose or how much money can you afford to lose in any one year? _____

What action would you take if the market dropped 50% from its present value?

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?

Are you pleased with

- your ability to manage and shelter your income from taxes?

- the diversification and performance of your portfolio?

What is the

- best investment decision you have ever made? _____

- worst investment decision you have ever made?

Are there any investments that you

- will NOT sell for personal reasons? _____
- will NOT buy for social reasons? _____

Client Signature _____ **Date** _____