



Risk-Return Evaluation Worksheet

To help make a better-informed investment decision, please have your client fill out the following worksheet concentrating on investment goals, time horizon, and risk tolerance.

1) What is your approximate yearly household income? Please include salary, bonuses, commissions, pension plan distributions, social security interest, and other income.

\$250,000 +

\$100,000- \$175,000

\$175,000- \$250,000

Under \$100,000

2) When do you plan to start withdrawing money from your investments for major needs?

In more than 10 years

In 1-5 years

In 5-10 years

In less than 1 year

3) Once you have achieved your primary investment objective and begin to withdraw funds from this account, over how long of a period do you anticipate the withdrawals to continue?

Short term -- lump sum disbursement

Between 5 and 10 years

Up to 5 years

For more than 10 years

4) When do you expect to retire?

In more than 15 Years

Within the next 5 years

In the next 5-15 years

I already am retired

5) Which of the following best describes the amount of money you are investing relative to your total investable assets – i.e., what percentage of your cumulative assets will you be investing in this program?

- | | |
|--|--|
| <input type="checkbox"/> Less than 20% | <input type="checkbox"/> Between 51% and 70% |
| <input type="checkbox"/> Between 21% and 50% | <input type="checkbox"/> Greater than 71% |

6) Will you utilize your principal and/or income from this account to supplement your living expenses -- what percentage of your total investment will you require annually, if necessary ?

- | | |
|---|--|
| <input type="checkbox"/> This is not required | <input type="checkbox"/> Approximately 2%-5% |
| <input type="checkbox"/> Approximately 1%-2% | <input type="checkbox"/> More than 5% |

7) How experienced are you in managing your investments?

- | | |
|---|---|
| <input type="checkbox"/> Very experienced | <input type="checkbox"/> Less experienced |
| <input type="checkbox"/> Somewhat experienced | <input type="checkbox"/> Not experienced |

8) When deciding how to invest your money, which are you most concerned with?

- | | |
|---|---|
| <input type="checkbox"/> Positioning my portfolio for maximum growth, even at the risk of watching its value widely fluctuate over time | <input type="checkbox"/> Providing consistent income for my current lifestyle |
| <input type="checkbox"/> Accumulating wealth for my financial independence | <input type="checkbox"/> Preserving my net worth to help meet everyday expenses |

9) Which of the following statements best describes your attitudes toward price fluctuations?

- | | |
|--|--|
| <input type="checkbox"/> I am willing to accept a high level of volatility for the potential to realize maximum returns | <input type="checkbox"/> I don't want my portfolio to fluctuate as much as the general financial markets, but I can withstand some up and down variances in my portfolio over time |
| <input type="checkbox"/> I am willing to accept a modest amount of price fluctuation to attempt to achieve a return modestly higher than that available without risk of price fluctuations | <input type="checkbox"/> I am willing to forgo the potential of large returns for the stability of knowing my portfolio is protected against large decreases in value |

10) Consider the following hypothetical one-year returns for a certain investment. Based on the range of possible outcomes shown, which best suits your investment philosophy?

Plan A: Average Case = 13%, Best Case = 50%, Worst Case = -30%

Plan C: Average Case = 9.5%, Best Case = 28%, Worst Case = -15%

Plan B: Average Case = 11%, Best Case = 43%, Worst Case = -20%

Plan D: Average Case = 8%, Best Case = 16%, Worst Case = -6%

11) Like most investments, the value of this account may fluctuate over time. Hypothetically, if you invested \$100,000 and it was performing in line with world markets, at what point would you sell?

I would not sell

I would sell when the value reached \$80,000

I would sell when the value reached was less than \$80,000

I would sell when the value reached \$90,000

12) Do you have funds saved for emergencies (e.g., a sudden loss of income or inability to earn income)? If so, how long would the emergency funds last?

The funds would last more than one year

The funds would last between 1 and 6 months

The funds would last between 6 and 12 months

I don't have an emergency fund

13) Which of the following statements best describes your feelings toward risk with respect to expected returns?

I would select only investments that offer the highest possible returns, accepting that there will be a high degree of risk associated with this approach (i.e., a high risk of partial or total principal loss exists)

I would select a mix of investments with an emphasis on a low degree of risk, but with a small portion that might have a higher risk and associated return potential

I would select a mix of investments with an emphasis on a high degree of risk, but with a small portion that might have a lower risk and associated return potential

I would only select investments that have a low degree of risk associated with them (i.e., it's unlikely you will lose some or any of your principal)

14) If you needed \$10,000 due to an unexpected financial obligation, would you need to liquidate a portion of this account?

- | | |
|--|--|
| <input type="checkbox"/> No. I have several other sources of liquid assets that I would use first | <input type="checkbox"/> Maybe. I do have other sources of liquid assets but this is my primary source |
| <input type="checkbox"/> Probably not. I have several other sources of liquid assets that I would likely utilize | <input type="checkbox"/> Yes. This is my only source of liquid assets |

15) How do you expect your household income to change over the next three years?

- | | |
|---|--|
| <input type="checkbox"/> Increase More than 20% | <input type="checkbox"/> Increase 5%-20% |
| <input type="checkbox"/> No Change (+/- 5%) | <input type="checkbox"/> Decrease 5%-20% |
| <input type="checkbox"/> Decrease More than 20% | |

16) How do you expect household expenses to change over the next three years?

- | | |
|---|---|
| <input type="checkbox"/> Decrease 5%-20% | <input type="checkbox"/> No Change (+/- 5%) |
| <input type="checkbox"/> Increase 5%-20% | <input type="checkbox"/> Increase More than 20% |
| <input type="checkbox"/> Decrease More than 20% | |