



Risk Tolerance Questionnaire

Client Name(s) _____ Date: _____

Section A – Investor Experience

1. Indicate (√) your experience and comfort with the following methods of saving and investing.

Investment Type	Experience Level			Comfort Level		
	Limited	Good	Extensive	No	Perhaps	Yes
Savings, CD or Money Market						
Government Bonds						
Corporate Bonds						
Tax-Exempt Bonds						
Mutual Funds						
Stocks						
Real Estate						
Annuities						
Commodities						
Options						
Alternative Investments						

2. Are you satisfied with your previous investment results? Yes No

Explain: _____

3. In the past when the overall stock market has decreased over a period of a year or more how did you react?

- Sold stock positions to avoid further losses.
- Held on to existing positions to wait for the market to recover.
- Bought additional stocks to take advantage of lower prices.

4. When you think of the word “risk” related to your investments which of the following words first come to mind?

- Danger
- Uncertainty
- Opportunity
- Thrill

5. What level of risk have you taken with your financial decisions in the past?

- Very Low
- Low
- Moderate
- High
- Very High

6. Have you ever been unhappy with the investment recommendations of a stockbroker, insurance agent, or other financial representative? Yes No

Why? _____



7. How do you reach your investment decisions?

8. Which statement best describes your investment knowledge?

- I have a limited understanding of investing and rely on others for advice
- I understand basic investment concepts, but I don't actively follow the markets.
- I have a general understanding of the markets and follow their progress occasionally.
- I have a good working knowledge of the markets and follow them actively.
- I have considerable knowledge, manage my own portfolio, and follow the markets daily.

Section B – Personal Attitudes Toward Risk

Your Risk Tolerance is an indication of your level of comfort with different investment products. Some investment products are inherently more risky than others. This section will help determine your risk tolerance.

Indicate your level of agreement with each of the follow statements	Strongly Disagree			Strongly Agree	
	1	2	3	4	5
Client 1 = (C1) Client 2 = (C2)					
Expected Return: Given historical returns on different kinds of investments, my desired level of investment returns is above the average	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Risk Tolerance: I am willing to bear and above-average level of investment risk (volatility). I can accept occasional years with negative investment returns.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Holding Period: I am willing to maintain investment positions over a reasonably long period of time (generally considered 10 years or more).	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Liquidity: I do not need to be able to readily convert my investments into cash. Aside from my portfolio, I have adequate liquid net worth to meet major near-term expenses.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Ease of Management: I want to be very actively involved in the monitoring and decision making required to manage my investments.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Dependants: There are none or only a few dependants that rely on my income and my investment portfolio for support.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Income Source: My major source of income is adequate, predictable and steadily growing.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Insurance Coverage: I have an adequate degree of insurance coverage	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Investment Experience: I have prior investment experience with stocks, bonds, and international investments. I understand the concept of investment risks.	C1: 1	2	3	4	5
	C2: 1	2	3	4	5
Debt/Credit: My debt level is low and my credit history is excellent	C1: 1	2	3	4	5
	C2: 1	2	3	4	5



1. How would you describe your risk tolerance on a scale to 1 to 10 (circle)

Client: (C1)	1	2	3	4	5	6	7	8	9	10
Co-Client (C2):	1	2	3	4	5	6	7	8	9	10
	Conservative-----Moderate-----Aggressive									

2. What is your long term average annual rate of return target?

C1: 4% or lower 5-6% 7-8% 9-10% 11-12% 13% or higher
C2: 4% or lower 5-6% 7-8% 9-10% 11-12% 13% or higher

Section C – Investor Profile

1. How long do you plan to have your investments in the market before making significant withdrawals?

Less than 1 year 1 to 5 years 5 to 10 years More than 10 years

2. What do you intend to do with the income produced by your portfolio?

Reinvest Spend

3. Over the next few years, how do you expect your savings pattern to change?

I don't expect to be able to save any of my income
 I expect to save less of my income that I am currently able to do.
 I expect to save the same amount of my income as I do now.
 I expect to save more of my income than I currently do.

4. Do you expect to have any substantial additions (settlements, inheritance, etc.) or withdrawals from your accounts over the next five years?

Explain: _____

We hope this exercise provided you with some valuable insights into how you view risk. We need to be notified by you of any future changes to your answers for these risk tolerance questions, as that may impact the recommended asset allocation for your portfolio.