

Risk Tolerance Assessment

Our risk tolerance assessment empowers you to better understand your clients' risk profile based on their unique investing time horizon and specific investment goals. The risk assessment strives to align advisor and client expectations upfront, as well as inform better decision making during the financial planning process.

To calculate risk tolerance, please select one answer from each of the following questions.

1 Which of the following best describes your primary investment objective?

Wealth Accumulation Emphasis on continued capital appreciation in accordance with your overall risk tolerance.

(12)

Wealth Maintenance Emphasis on maintaining a desired lifestyle or level of financial security.

(6)

Wealth Distribution Emphasis on using wealth for living expenses.

(1)

2 Approximately how many years do you expect to continue to invest your assets in the stock market?

0-3 YR

(0)

3-5 YR

(4)

6-10 YR

(8)

11-15 YR

(12)

>15 YR

(16)

3 Assuming you are investing \$100,000 and can choose from the five hypothetical portfolios shown in the table below. The dollar values for each portfolio represent two possible returns – low and high – after one year.

Assuming there is an equal chance of achieving either result (low or high), indicate which portfolio represents the maximum risk/return trade-off you would be willing to accept.

	Possible High Value	Possible Low Value	
<input type="radio"/> Portfolio A	\$160,000	\$55,000	(12)
<input type="radio"/> Portfolio B	\$150,000	\$65,000	(9)
<input type="radio"/> Portfolio C	\$135,000	\$75,000	(6)
<input type="radio"/> Portfolio D	\$125,000	\$85,000	(3)
<input type="radio"/> Portfolio E	\$115,000	\$95,000	(0)

The maximum gain or loss on an investment is impossible to predict. The ranges shown in the chart are hypothetical and are designed solely to gauge an investor's tolerance for risk.

4 Please indicate the level of risk with which you are most comfortable (circle one response):

Low				Medium				High		
0 <input type="radio"/>	1 <input type="radio"/>	2 <input type="radio"/>	3 <input type="radio"/>	4 <input type="radio"/>	5 <input type="radio"/>	6 <input type="radio"/>	7 <input type="radio"/>	8 <input type="radio"/>	9 <input type="radio"/>	10 <input type="radio"/>
(0)	(2)	(4)	(6)	(8)	(10)	(12)	(14)	(16)	(18)	(20)

If you select "0", "1", or "2", our investment methodology may not be appropriate for your portfolio.

5 How long are you prepared to wait for your account to return to its original value after a down market?

<18 MO	18 MO- 2 YR	2-3 YR	3-5 YR	>5 YR
<input type="radio"/> (0)	<input type="radio"/> (4)	<input type="radio"/> (8)	<input type="radio"/> (12)	<input type="radio"/> (16)

6 My current income and future income (salary, pension, etc.) is:

VERY SECURE/ STABLE	MOSTLY SECURE/ STABLE	SECURE/ STABLE	SOMEWHAT SECURE/STABLE	NOT SECURE/ STABLE
<input type="radio"/> (12)	<input type="radio"/> (9)	<input type="radio"/> (6)	<input type="radio"/> (3)	<input type="radio"/> (0)

7 How able are you to handle financial emergencies with assets outside of your investment account(s)?

VERY ABLE	MOSTLY ABLE	ABLE	SOMEWHAT ABLE	NOT ABLE
<input type="radio"/> (12)	<input type="radio"/> (9)	<input type="radio"/> (6)	<input type="radio"/> (3)	<input type="radio"/> (0)

YOUR RISK ASSESSMENT

To determine your specific risk assessment, add together the point values associated with each of your responses. A total score of 100 represents the highest tolerance for risk.

1) <input type="text"/>	4) <input type="text"/>	7) <input type="text"/>	
2) <input type="text"/>	5) <input type="text"/>	<input type="text"/>	TOTAL
3) <input type="text"/>	6) <input type="text"/>		

