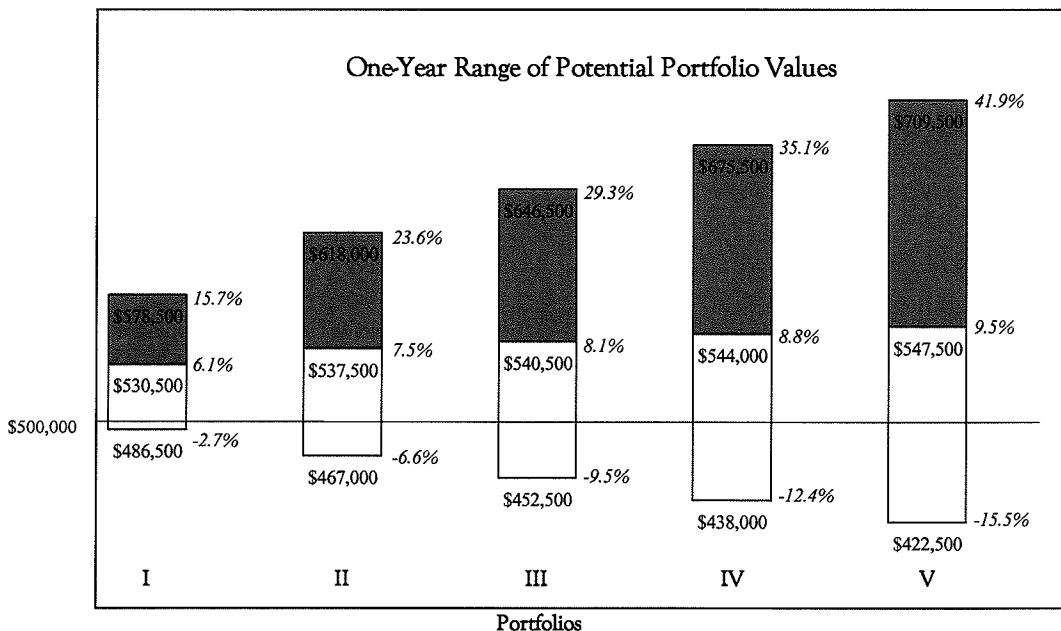


# Portfolio Planning Questionnaire

- A. Which of the following best describes the risk profile that you have in mind for this investment portfolio?
- A portfolio containing some high-risk investments (10)
  - A portfolio containing mostly low-risk investments (2)
  - A portfolio containing mostly high-risk investments (14)
  - A portfolio containing some medium-risk investments (6)
- B. Which of the following statements best describes what your reaction would be if the value of your portfolio suddenly declined 15%?
- I would be very concerned because I cannot accept a decline in the value of my portfolio. (1)
  - I invest for long-term growth but would be concerned about a temporary decline. (7)
  - If the amount of income I received was unaffected, it would not bother me. (3)
  - I invest for long-term growth and accept temporary declines due to market fluctuations. (10)
- C. An investment decision involves the possibility of high return as well as the possibility of suffering a loss. What influences your thinking the most when making an important investment decision?
- I'm mainly influenced by the potential gain. (10)
  - I'm more influenced by the potential loss than the potential gain. (3)
  - I'm more influenced by the potential gain than the potential loss. (7)
  - I'm mainly influenced by the potential loss. (1)
- D. Each year, the value of your investment portfolio will fluctuate as markets change. If you invested \$500,000, which of the following portfolios would you choose?
- Portfolio V All equity/index portfolio 100% equity (10)
  - Portfolio IV Long-term portfolio 80% equity (8)
  - Portfolio III Medium-term portfolio 60% equity (6)
  - Portfolio II Short-term portfolio 40% equity (4)
  - Portfolio I Fixed income portfolio 0% equity (2)



**Legend:**

← This is what a \$500,000 investment might grow to under very good market conditions.

← This is what a \$500,000 investment might grow to under normal market conditions.

← This is what a \$500,000 investment might become under very poor market conditions.

## Portfolio Planning Questionnaire

- E. Which of the following statements best describes what your reaction would be to short-term fluctuations in this investment portfolio?
- I would be extremely uneasy about any fluctuations in the value of my investment. (2)
  - I would have very little concern about short-term fluctuations in the value of my investment. (14)
  - I would be very concerned about short-term fluctuations in the value of my investment. (6)
  - I would have some worries about short-term fluctuations in the value of my investment. (10)

Total Risk Tolerance Score \_\_\_\_\_

### 3. Time Horizon

- A. What is your time horizon for this investment portfolio?
- 0-5 years
  - 5-10 years
  - 10+ years

*Consider the following questions when answering:*

- *Will you need to make a large withdrawal from this investment? If so, when?*
- *How large of a withdrawal will you need make?*
- *How much do you plan to spend from this investment each year?*
- *How much do you plan to contribute to this investment each year?*

# Portfolio Planning Questionnaire

## Scoring Guide

1. Your *Section 2: Risk Tolerance* total score is \_\_\_\_\_
2. Your *Section 3: Time Horizon* answer is \_\_\_\_\_ years
3. Using the answers from 1 and 2 above, in the following grid you get a corresponding letter code of \_\_\_\_\_ [Use this letter code to find the recommended portfolio below.]

### *Section 2: Risk Tolerance*

<i>Section 3: Time Horizon</i>		0 - 12	13 - 24	25 - 36	37 - 47	48 - 58
	0 - 5	A	A	A or B	B or C	C or D
	5 - 10	A	A or B	B or C	C or D	D or E
	10+	A or B	B or C	C or D	D or E	E

4. **Key for the Recommendation:** [Use the letter code from the grid in number 3 above]. Note that the recommendation is intended to be used as a *guideline* for an appropriate asset allocation.

<i>Answer from 3 Above</i>	<i>Recommended Asset Allocation</i>	
	<i>Equity</i>	<i>Fixed Income</i>
A	0%	100%
B	40%	60%
C	60%	40%
D	80%	20%
E	100%	0%

For A - Use 100% fixed income composite

For B - Use 60% fixed income composite, 25% large cap equity composite, 8% small cap equity composite and 7% international equity composite

For C - Medium-term portfolio

For D - Long-term portfolio

For E - All equity or index portfolio