



# Risk Profile

**SECTION I - PERSONAL DATA**

Date: \_\_\_\_\_

Client: \_\_\_\_\_

Spouse: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_

## **SECTION II - POLICY TESTS**

### **EARNINGS**

Which best describes your earnings estimations over the next five years?

- Will increase faster than inflation
- Will increase somewhat faster than inflation
- Will Stay level with inflation
- Will increase slower than inflation
- Will stop

### **INCOME**

How much money do you believe you will require from your portfolio this year?

\$ \_\_\_\_\_

### **HORIZON**

When do you plan to begin spending a major portion of your portfolio?

Years from today: \_\_\_\_\_

Year spending begins: \_\_\_\_\_

### **VOLATILITY**

The value of investments can increase or decrease over time. In the event that the stock market drops by 20%,

- I'd be uncomfortable enough to sell.
- I'd take no action in hopes of a recovery.
- I'd use the opportunity to add to my investment.

### **INFLATION**

Inflation can diminish the value of your money over time. Which statement best describes your feelings toward inflation?

- I am willing to take the risks required to beat inflation.
- I want to maintain the value of my investments, even if that means I will not earn more than inflation.
- I feel that maintaining value and beating inflation are equally important.

**PHILOSOPHY**

Which statement best describes your feelings?

\_\_\_ I want to avoid any undue risk, even if returns do not keep pace with inflation.

\_\_\_ I want to take a little risk, but would like most of my investments to have a guaranteed return.

\_\_\_ I want an average position: good return potential with moderate fluctuations.

\_\_\_ I want to take significant risk, while maintaining a small reserve of safe investments.

\_\_\_ I seek the highest possible returns. I can absorb large fluctuations in value and a significant possibility of loss.

**VARIATION**

Below are five different portfolios with five various hypothetical returns over a five year period. Please check one portfolio, A through E, which you would feel most comfortable owning.

<b>Yr.1</b>	<b>Yr.2</b>	<b>Yr.3</b>	<b>Yr.4</b>	<b>Yr.5</b>	<b>Avg.</b>	<b>Total</b>	<b>√</b>
3%	4%	3%	2%	3%	3.2%	15%	<b>A</b>
4%	6%	5%	0%	8%	5%	25%	<b>B</b>
-5%	21%	8%	2%	9%	7.6%	38%	<b>C</b>
9%	11%	26%	3%	18%	9.7%	48.6%	<b>D</b>
14%	26%	53%	-4%	31%	12.5%	62.3%	<b>E</b>

**Computer Results\*:**

**Cash Equivalents** \_\_\_\_\_ **Fixed Income Assets** \_\_\_\_\_ **Equities** \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Agent Signature \_\_\_\_\_

Date \_\_\_\_\_

\*Refer to the Path presentation software.