

Time Horizon & Risk Tolerance Questionnaire

What type of investor are you? These ten statements are designed to help your First Asset Financial Inc. representative decide where to invest. **After each statement, circle the answer that best reflects your opinion.**

Financial Goals

1. Investments

I do not need a high level of current income from my investments. I'm more interested in the potential for long-term growth.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

2. Large Expenses

I have set aside savings to cover large expenses like purchasing a home, college tuition, or a financial emergency.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

3. Inflation

I am concerned about the effects of inflation on my investments.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

Risk Tolerance

4. Volatility

I am comfortable with investments that may frequently experience large declines in value if there is a potential for higher returns. (answers in next column at top)

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

5. Risk vs. Reward

Historically, investment markets have experienced both short-term and prolonged downturns followed by recoveries. Suppose you owned a well-diversified portfolio that declined 20 percent in a short period of time in a volatile market environment. Assuming you still have 10 years until you begin taking withdrawals, what, if any, action would you take?

- A. I would not change my portfolio (5)
- B. I would wait at least a year before changing to more conservative options (4) Score _____
- C. I would wait at least three months before changing to options that are more conservative (3)
- D. I would immediately change to more conservative options (2)

6. Decline in Value

I am comfortable holding on to an investment even though it drops sharply in value.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

(turn over for the last 4 questions)

7. Equity Investing

I am willing to take the risks associated with stocks in order to earn a potential return greater than the rate of inflation.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

8. Knowledge of Risk

I consider myself knowledgeable about the risks and potential returns associated with investing in stocks and other types of securities.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

Time Horizon

9. Personal Timeline

When do you expect to begin withdrawing money from your investment account?

- A. 3 or less years (2)
- B. 4-6 years (3) Score _____
- C. 7-10 years (4)
- D. 11 or more years (5)

10. Long-term Investing

I am comfortable with an investment where I could take a chance with a two year investment with more risk to obtain a return I expect rather than wait for it to take ten years to provide the returns I expect.

- A. Strongly agree (5)
- B. Agree (4) Score _____
- C. Disagree (3)
- D. Strongly Disagree (2)

Your Total Score: _____ **Investor Type =** _____

Score	Investor Type
45-50	Aggressive Investor
39-44	Moderately Aggressive Investor
33-38	Moderate Investor
27-32	Moderately Conservative Investor
20-26	Conservative Investor

Client Acknowledgement:

X _____ Date: _____

X _____ Date: _____

First Asset Rep. Signature: **X** _____

Rep # _____