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**Risk Profile/Awareness Questionnaire**

“Investing is the intersection of economics and psychology” – *Seth Klarman*

Please take a few minutes to complete this as it will help us help you make better investment decisions moving forward.

1. Which of the following is your primary goal when it comes to your investable assets?
   1. Protect existing investments
   2. Grow investments
2. What is the best investment you’ve ever made and why?:
3. What is the worst investment you’ve ever made and why?:
4. What is the #1 determinant in your ability to retire comfortably?:
   1. Pension(s) & social security
   2. How much I save
   3. The growth rate on my investments
5. Which of the following is most important when determining a portfolio’s long term investment return?:
   1. The mix of stocks vs. bonds (asset allocation)
   2. The specific stocks or mutual funds one owns
   3. One’s ability to time the market and avoid stock market crashes
6. True or false – the risk of owning one stock is the same as the risk of owning 1,000 stocks:
   1. True
   2. False
7. The return of large US stocks over the past 90 years is approx.?:
   1. 9%
   2. 12%
   3. 6%
8. The return of US corporate bonds over the past 90 years is approx.?.:
   1. 4%
   2. 2%
   3. 7%
9. My expected rate of return over the next 10-15 years is:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
10. True or false – diversification allows an investor to completely avoid bad years like 2008:
    1. True
    2. False
11. How do you define risk when it comes to your investments:
    1. Price fluctuation (volatility)
    2. Loss of principal (losing money)
    3. Loss of purchasing power (not keeping pace with inflation)
12. When do you expect to begin withdrawing money from your investment accounts?
    1. \_\_\_ Immediately (if so, how much per year?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)
    2. \_\_\_ 1 to 2 years
    3. \_\_\_ 3 to 4 years
    4. \_\_\_ 5 to 7 years
    5. \_\_\_ 8 to 10 years
    6. \_\_\_ 11 years or more
13. How much experience do you have investing in the following (place an X in the appropriate box)?:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Investment** | **No experience** | **1-5 years** | **6-10 years** | **10+ years** |
| Stocks |  |  |  |  |
| Bonds |  |  |  |  |
| Mutual Funds |  |  |  |  |
| Annuities |  |  |  |  |
| Real Estate |  |  |  |  |
| Limited Partnerships |  |  |  |  |

1. Describe a time when you were nervous about your investments:
2. Which of the following would best describe how you follow your investments:
   1. \_\_\_\_ I watch CNBC daily and track my investments vs. the stock market
   2. \_\_\_\_ I review my account statements monthly
   3. \_\_\_\_ I review my account statements quarterly
   4. \_\_\_\_ I review my account statements 1-2 times per year
   5. \_\_\_ I never really look at my account statements
3. Which of the following do you most agree with:
   1. \_\_\_\_ Managing a portfolio is easy, I just don’t have the time to do it
   2. \_\_\_ Managing a portfolio is not that hard, the hard part is staying disciplined and unemotional in good times & bad
   3. \_\_\_\_ Managing a portfolio is harder than most people think.
4. What would be most helpful for us (WM firm) to do in times when you’re feeling nervous about the stock market?
5. A financial advisor’s job, as it relates to managing money can best be described as which of the following:
   1. Develop, implement, and monitor an investment strategy that gives a client the highest probability of success with the least amount of risk
   2. Pick the best stocks, bonds, and mutual funds available
   3. Determine the best time to buy or sell investments based on what’s going on in the economy