**EXPLANATION OF INVESTMENT OBJECTIVE TERMS**

1. **Investment Objectives**

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| **1** | **Capital Preservation** | Preserving the value of existing assets by investing in securities with a smaller degree of risk of loss of principal |
| **2** | **Income** | Want to use proceeds of the account as a source of income |
| **3** | **Growth** | Generating capital appreciation by investing in securities with a higher degree of volatility and risk of loss of principal. |
| **4** | **Speculation** | Trading volatile securities with a higher than average possibility of loss of principal with the hope of achieving commensurate gains. |
| **5** | **Retirement** | The setting aside of money or other assets to obtain a steady income at retirement. |
| **6** | **Short Term Trading** | T[rading](http://en.wikipedia.org/wiki/Trading_strategies) strategies in which the time duration between entry and exit is within a range of few days to few weeks. |

1. **Risk Taking**

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| **1** | **Capital Preservation** | Capital preservation risk taking is primary for an investor whose investment strategy is to preserve capital and prevent loss in a portfolio.  |
| **2** | **Moderately Conservative** | Moderately conservative risk taking is primary for an investor whose goal is to preserve a large portion of the portfolio’s total value, but are willing to take on a higher amount of risk to get some inflation protection.  |
| **3** | **Moderate** | Moderate risk taking is appropriate for an investor with a moderately high risk tolerance and a time horizon longer than 5 years. Moderate investing is acceptable to periods of moderate market volatility (ups and downs in account value) in exchange for the possibility of receiving returns that outpace inflation by a significant margin. |
| **4** | **Moderately Aggressive** | Moderately aggressive risk taking portfolio is meant for individuals with a longer time horizon and an average risk tolerance. |
| **5** | **Significant Risk** | Significant risk allows for aggressive investment strategies where the primary goal is achieve the highest possible return. Such a strategy is appropriate for investors who, for the sake of this potential high return, have a high [risk](http://www.investopedia.com/university/beginner/beginner6.asp) tolerance and a longer time horizon. |