



Investment Policy Questionnaire

Client Name(s): _____ Age(s): _____ Date: ___/___/___

1. What is the approximate value of the assets in the accounts that you are considering having us manage? \$ _____

2. What percentage of your total net worth do these assets represent? _____%

3. Do you expect to make additional deposits into, or withdrawals from these accounts in the next 5 years?

_____ Yes

_____ No

If yes, please indicate the expected amount of cash flows in the next 5 years:

	Year 1	Year 2	Year 3	Year 4	Year 5
Deposits:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Withdrawals:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

4. Some people may have a need for a portion of their investment portfolio to remain in cash (or cash equivalents such as money market funds) so it can be easily called upon. As a part of this investment portfolio you wish to maintain:

_____ No minimum liquidity needs

_____ A minimum of _____% of the portfolio in cash or cash equivalents

_____ A minimum of \$ _____ in cash or cash equivalents

If there is a need to maintain a portion of this portfolio in cash or cash equivalents, for how long will this need apply?

_____ Less than a year

_____ Over a year but less than 5 years

_____ Indefinitely

_____ Until I decide I don't need it anymore

5. With your prior investment results in mind, what is your priority for your investment portfolio going forward? (check only one)

_____ Achieving higher rates of return

_____ Primarily earning adequate returns while keeping short-term losses to a minimum

_____ Primarily keeping short-term losses to a minimum while earning some return

_____ Minimizing or eliminating declines in the value of my investments

6. What do you intend to use the assets in this portfolio for (check all that apply):

- Provide current cash flow to me
- Provide cash flow to me during retirement, which I hope to begin at age _____
- Provide an inheritance for my heirs or a bequest to charity. I have already committed \$_____ in my estate plan.
- Use some or all of this to make a large purchase. It is my intention to spend approximately \$_____ on this purchase in the year _____.
- Fund college education(s) for the students listed below
 - Student _____ Funds needed beginning _____
 - Student _____ Funds needed beginning _____
 - Student _____ Funds needed beginning _____
 - Student _____ Funds needed beginning _____

7. When investing, there are many potential threats to achieving your financial goals. From the following list, please check the statement that concerns you most regarding your financial future:

- The possibility that my portfolio may not grow enough to meet my future needs
- The risk of a sharp decline in value in a short period of time (1 to 6 months)
- A decline in portfolio value over the course of 1 to 2 years
- The risk that my portfolio may not grow enough to keep pace with inflation
- The risk of not earning a rate of return greater than the overall stock market
- The risk that my portfolio will not generate enough current income

8. Over the next 5 years I expect my financial situation to:

- Dramatically improve
- Improve somewhat
- Stay about the same
- Become more challenging

9. How secure is your income for the foreseeable future?

- Very stable
- Somewhat stable
- Varies from year to year
- Very uncertain

10. Do you anticipate any major changes in your life in the next 5 years that might affect your finances (i.e. marriage, new child, job change, relocation, divorce, retirement, etc.)? Please explain.

11. How dependent is your current income on the performance of your investments?

- Dependent
- Somewhat dependent
- Not dependent

12. Please select the choice for each item that best reflects your opinion of your current situation.

Cash reserves excluding the assets you are considering having us manage (i.e. emergency funds, rainy day funds, available low cost borrowing)

- I have plenty of access to cash if needed
- I feel I have enough access to cash if needed
- I have very little access to cash if needed
- I have no access to cash if needed
- I have no idea if I have enough or not

Cashflow strength (income vs. expenses)

- I am a net saver
- I manage to break even
- I spend more than I bring in
- I don't have a good grasp on how my expenses compare to my income

13. What is your outlook on inflation in the future?

Over the next year I think the cost of the things I buy will:

- Increase
- Stay about the same
- Decrease

Over the next 5 years I think the cost of the things I buy will:

- Increase
- Stay about the same
- Decrease

14. For this part, please tell us if you have invested in these types of investments before, and if so, tell us if you would be willing to continue investing in them or would invest in them again.

	Yes, and I still do or would again	Yes, but I would not invest in them again	No, I have never invested in these
Money Market Funds			
Short-term (Maturity of 5 years of less) U.S. Govt. Bonds			
Short-term Corporate Bonds			
Short-term Municipal Bonds			
Intermediate-term (5-10 year maturity) U.S. Govt. Bonds			
Intermediate-term Corporate Bonds			
Intermediate-term Municipal Bonds			
Long-term (10+ year maturity) U.S. Govt. Bonds			
Long-term Corporate Bonds			
Long-term Municipal Bonds			
Foreign Bonds			
Emerging Market Bonds			
High Yield (Low Rated) Corporate or Municipal Bonds			
Large Company Domestic Stocks			
Large Company Domestic Stock Mutual Funds			
Small Company Domestic Stocks			
Small Company Domestic Stock Mutual Funds			
Foreign Stocks			
Foreign Stock Mutual Funds			
Emerging Market Stock Mutual Funds			
Real Estate Securities or REITs			
Commodities (Metals, Industrial Materials, Energy etc.)			
Hedge Funds (M&A, Arbitrage, Long/short, etc.)			
Venture Capital			
Options, Futures, Short sales			

15. How would you describe your knowledge of investments?

- Extensive
- Good
- Limited
- None

16. Where have you looked for investment ideas or advice in the past?

17. How would you describe your investment portfolio allocations (i.e. the relative percentage of your portfolio invested in assets like cash, bonds, domestic stocks and foreign stocks) over time?

- My portfolio allocations have remained fairly consistent over time
- My portfolio allocations have changed, but not dramatically, over time
- My portfolio allocations have changed significantly over time

If your portfolio allocations have changed significantly over time, please check all of the reasons for these changes:

- I learned more about investments
- I changed my lifestyle or I met a major financial goal (i.e. retirement)
- I attempted to achieve superior returns through market timing
- I did not have enough funds to invest in certain investments
- I do not pursue a set asset allocation policy
- Other _____

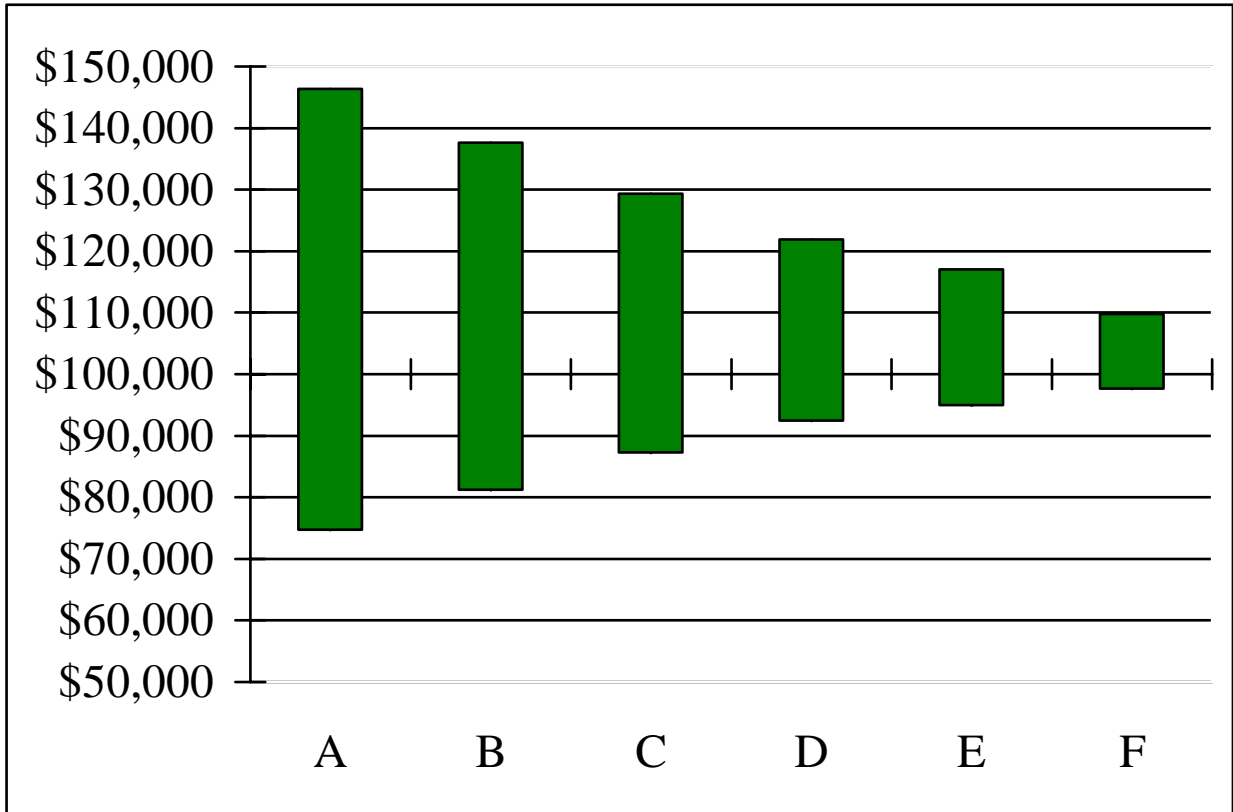
18. In your opinion, how would you define a long-term investment?

- 1-2 years
- 3-4 years
- 5-6 years
- 7-9 years
- 10 years or more

19. Which of the following statements best reflects your attitude about investing in the stock markets?

- I am unwilling to experience any reduction in the value of my investments.
- I can tolerate infrequent, very limited declines (less than 5%) through difficult phases in a stock market cycle.
- I can tolerate limited declines (5-10%) through difficult phases in a stock market cycle.
- I can tolerate periods of moderate negative returns (declines of 10-15%) to achieve potentially higher investment returns. I recognize and accept that negative returns could persist for several years.
- I can tolerate periods of significant negative returns (greater than 20%) for the chance to maximize my long-term returns. I recognize and accept that negative returns could persist for several years.

20. The following chart shows an example of the most likely range of values after investing for one year in six different portfolios with a starting value of \$100,000. Which portfolio would you be most comfortable owning?



- Portfolio A
- Portfolio B
- Portfolio C
- Portfolio D
- Portfolio E
- Portfolio F

21. Which of these statements would best describe your attitudes about the performance of your investments over the next 3 months:

- Who cares? One calendar quarter means nothing
- I wouldn't worry about losses in that time frame
- If I suffered a loss of greater than 10% I'd be concerned
- I can only tolerate small short-term losses
- I'd have a hard time handling any decline in the value of my investments

22. Assume that you invested \$100,000 in a portfolio that is expected to have higher than average long-term returns but with more short-term volatility. The portfolio grows to \$120,000 after the first year. If this portfolio then declined in value by \$15,000 to \$105,000 in the next 3 months, how do you think you would react?

- I would see it as a good buying opportunity, and if I had more money to invest I would want to invest more in the same portfolio allocation
- I would not be concerned and would maintain the current investments, knowing there continues to be potential for higher long-term returns
- I would be somewhat concerned and would shift to a slightly more conservative portfolio
- I would be very concerned and would shift to a much more conservative portfolio in an attempt to avoid further short-term losses

23. Do you agree or disagree with the following statement:

“I am willing to withstand larger declines in my investments in the short-term if I can enjoy potentially higher returns in the long-term.”

- Strongly agree
- Agree
- Disagree
- Strongly disagree

24. Suppose that a growth oriented investment that you have held for one year had lost 15% of its value, which is consistent with the performance of similar investments. What do you think you would be inclined to do?

- I would probably be dissatisfied and sell it
- I wouldn't be happy, but I would probably hold on to it
- I would probably think of it as a buying opportunity and buy more

25. Do you agree or disagree with the following statement:

“It would bother me more to be invested in the stock market when it was going down than to be out of the market when it is going up.”

- Strongly agree
- Agree
- Disagree
- Strongly disagree

26. If one investment in your portfolio were to decline in value by 10% while all of the others were unchanged in value, what would you be inclined to do with the underperforming investment?

- Buy more if nothing had changed fundamentally since my original purchase
- Just hold on to what I have and wait to see if it recovers
- Sell some of it to reduce my exposure to it going forward
- Sell it all and replace it with something that had been performing better

27. Do you agree or disagree with the following statement:

“If the market goes down, it is better to sell riskier investments and put the money into safer investments.”

- Strongly agree
- Agree
- Disagree
- Strongly disagree

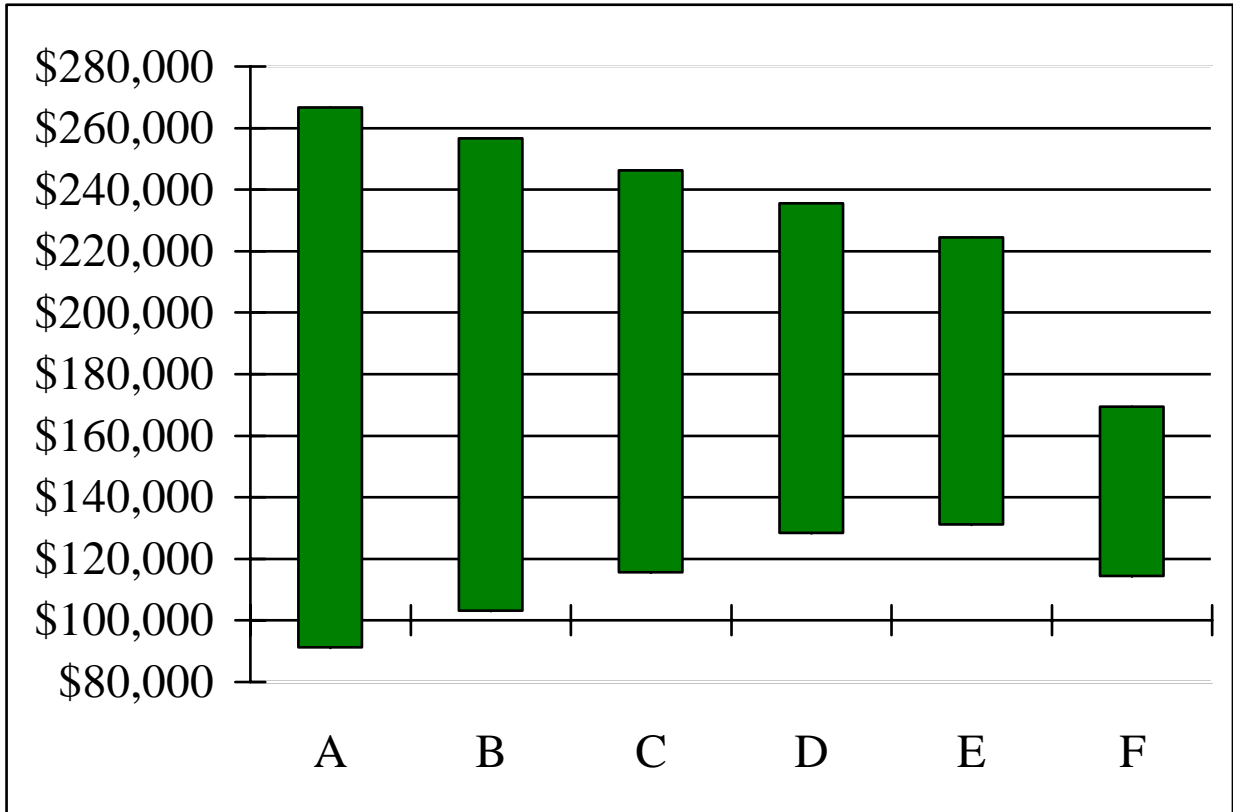
28. Which of the following statements most accurately describes your attitude and expectations when investing over a full market cycle (typically 5 years or more)?

- It is more important to do well in up markets than to limit losses in down markets.
- I am comfortable with average returns in both up and down markets.
- It is more important to limit losses in down markets than it is to do well in up

29. Given the fact that over the long run (from 1927 through 2004), U.S. stocks have generated an average annual rate of return of 10-12 percent, U.S. bonds have returned 5-6 percent and money markets have generated returns of 3-4 percent with inflation in the U.S. running at about 3 percent per year. What would you expect the average annual total return on your investment portfolio to be over the long-term?

- 3-5%
- 6-7%
- 8-9%
- 10-11%
- 12-14%
- 15% or more

30. The following chart shows an example of the most likely range of values after investing for five years in six different portfolios with a starting value of \$100,000. Which portfolio would you be most comfortable owning?



- _____ Portfolio A
- _____ Portfolio B
- _____ Portfolio C
- _____ Portfolio D
- _____ Portfolio E
- _____ Portfolio F

31. Are there any investments that you are restricted from investing in?

32. Do you have any “socially responsible” concerns or issues that you would like to see manifested in your portfolio? If so, please describe.

33. Unfortunately, one of the two things in life that we can't escape are taxes. If all or a portion of the assets you are considering having us manage are in non-tax deferred accounts, which of the following statements best represents your feelings on taxes.

- I am in a high marginal tax bracket, and any strategy that could be utilized to minimize my ongoing tax liability should be pursued.
- I am more concerned with earning the best total return net of taxes I can, so the strategy that produces the best after-tax return should be pursued.
- I am in a low marginal tax bracket or I am just not all that concerned about my tax liability.
- I have carry forward capital loss (found on Schedule D of your tax return) that can be used to reduce my future tax liability. The amount of my carry forward loss is \$ _____

34. What has been your worst investment experience in the past?

35. Have you ever worked with a professional investment advisor before?

- Yes
- No

If yes, please provide a short comment of how that experience was and why.

36. How often do you review the value of your investments?

- Daily
- Weekly
- Monthly
- Quarterly
- Semi-annually

We thank you very much for you time and thoughtful responses to these questions.