

Investor Risk Assessment Questionnaire

This questionnaire is designed to help you choose an appropriate asset allocation strategy for your 401(k) portfolio. Answer these questions with one goal in mind --- your retirement. Simply answer the following eleven questions and total your score to determine the suggested Investment Portfolio.

1) **I plan to take withdrawals from my 401(k) plan in . . .**

- a. 3 to 5 years (4 points)
- b. 6 to 10 years (7 points)
- c. 11 to 15 years (12 points)
- d. More than 15 years (17 points)

Points:

2) **Upon retirement, I will likely deplete my 401(k) balance in . . .**

- a. 2 years or less (0 points)
- b. 3 to 5 years (1 point)
- c. 6 to 10 years (3 points)
- d. 11 to 15 years (5 points)
- e. More than 15 years (8 points)

Points:

3) **When making 401(k) contributions, I plan to maintain my investment selections for . . .**

- a. 1 to 2 years (0 points)
- b. 3 to 4 years (1 point)
- c. 5 to 6 years (3 points)
- d. 7 to 8 years (5 points)
- e. 9 or more years (7 points)

Points:

4) **With retirement in mind, I prefer an investment with little or no fluctuation in value, and I am willing to accept the lower returns associated with these investments.**

- a. I strongly agree (0 points)
- b. I agree (1 point)
- c. I somewhat agree (3 points)
- d. I disagree (5 points)
- e. I strongly disagree (6 points)

Points:

5) **When the market goes down, I tend to sell off parts of my riskier assets and put the money into safer assets.**

- a. I strongly agree (1 point)
- b. I agree (2 points)
- c. I somewhat agree (3 points)
- d. I disagree (4 points)
- e. I strongly disagree (5 points)

Points:

6) **Based on a brief conversation with a friend, coworker, or relative, I would invest in a recommended mutual fund.**

- a. I strongly agree (1 point)
- b. I agree (2 points)
- c. I somewhat agree (3 points)
- d. I disagree (4 points)
- e. I strongly disagree (5 points)

Points:

7) **From January 31, 1999 through December 31, 1999, some bonds lost almost 9%. If I owned a bond investment that lost 9% in 11 months, I would:** (If you owned bonds during this period, select the answer that corresponds to your actual behavior at that time.)

- a. Sell all of the remaining investment (1 point)
- b. Sell a portion of the remaining investment (3 points)
- c. Hold on to the investment and sell nothing (6 points)
- d. Buy more of the investment (7 points)

Points:

8) **How stable is your current and future income from sources such as salary, Social Security, and pension plans?**

- a. Very unstable (1 point)
- b. Unstable (2 points)
- c. Somewhat stable (3 points)
- d. Stable (4 points)
- e. Very stable (5 points)

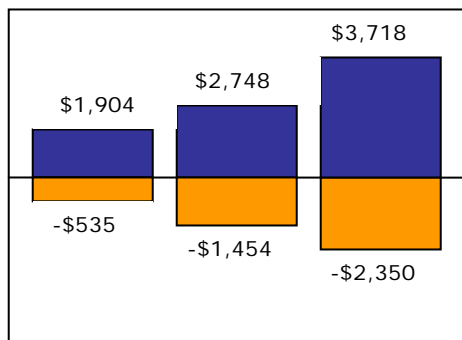
Points:

9) **When it comes to investing in stock or bond mutual funds (or individual stocks or bonds), I would describe myself as a/an . . .**

- a. Very inexperienced investor (1 point)
- b. Somewhat inexperienced investor (2 points)
- c. Somewhat experienced investor (3 points)
- d. Experienced investor (5 points)
- e. Very experienced investor (6 points)

Points:

10) **The chart below shows the greatest one-year loss and the highest one-year gain on three different hypothetical investments of \$10,000. Given the potential gain or loss in any one year, I would invest my money in:**



A Least Volatility
B Medium Volatility
C Most Volatility

- a. A - loss of \$535 or gain of \$1,904 (0 points)
- b. B - loss of \$1,454 or gain of \$2,748 (4 points)
- c. C - loss of \$2,350 or gain of \$3,718 (7 points)

Points:

11) **During the second quarter of 2002, the S&P 500 Index lost over 17% of its value. If you owned a stock investment that lost significant value over a short period of time, what would you do? (If you owned stocks during the second quarter of 2002, please select the answer that corresponds to your actual behavior at that time.)**

- a. Sell all of the remaining investment (1 point)
- b. Sell a portion of the remaining investment (3 points)
- c. Hold on to the investment and sell nothing (6 points)
- d. Buy more of the investment (7 points)

Points:

Based on your total points, determine the most appropriate Investment Portfolio for your 401(k) assets.

Total Points:

Point Ranges	Investment Portfolio
70 – 80	Aggressive
55 – 69	Growth
35 – 54	Moderate Growth
20 – 34	Conservative Growth
10 – 19	Conservative