

Chariot Advisors Risk Tolerance Questionnaire

Client Name: _____ Date: _____

YOUR ANSWERS TO THE FOLLOWING QUESTIONS WILL HELP YOU SELECT A PORTFOLIO APPROPRIATE TO HELP YOU ACHIEVE YOUR INVESTMENT GOALS; TAKING INTO ACCOUNT YOUR INVESTMENT HORIZON AND TOLERANCE FOR RISK.

1. Your investment objective summarizes the primary purpose of your account. It serves to define how assets should be managed. While asking yourself 'What do I want most to accomplish?' **SELECT THE OBJECTIVE THAT BEST FITS THE PURPOSE OF THIS ACCOUNT.**

- [1] **Preserve asset value** with no current income.
- [2] Generate **high current income** of 6%-8% of this portfolio.
- [3] Achieve asset growth with **moderate current income** of up to 4%-6% of this portfolio.
- [4] Achieve strong asset growth with **normal income** of 2%-4% or less of this portfolio.
- [5] Achieve **higher capital appreciation** with no current income.

2. It is important to consider this investment in relationship to your total portfolio. The percentage of your portfolio that this investment represents will influence how conservative or aggressive you may want to be with this account. **APPROXIMATELY WHAT PORTION OF YOUR TOTAL INVESTABLE ASSETS (the dollar amount of the investments you currently have not including your residence or other properties) WILL THIS PORTFOLIO REPRESENT?**

- [5] Less than 25%
- [4] Between 25% and 50%
- [3] Between 51% and 75%
- [2] More than 75%

3. Check the box that indicates your response to the following statement: **'I AM COMFORTABLE WITH INVESTMENTS THAT MAY GO DOWN IN VALUE FROM TIME TO TIME, AS MUCH AS (--%), IF THOSE INVESTMENTS ALSO OFFER SIGNIFICANT POTENTIAL FOR HIGHER RETURNS.'**

- [0] 0%
- [2] 0% - 5%
- [4] 5% - 10%
- [6] 10% - 15%
- [8] 15% - 20%
- [10] 20% - 30%

4. Age is a very important determinant of your risk category selection. **PLEASE CHECK YOUR AGE IN THE BOX BELOW.**

- [5] 35 or under
- [4] 36 – 45
- [3] 46 – 55
- [2] 56 - 64
- [1] 65 or over

Risk Tolerance Questionnaire - Continued

5. Your investment time horizon is an important variable to consider when constructing your account.
HOW LONG WILL IT BE BEFORE YOU BEGIN MAKING WITHDRAWALS?

- [1] 0 – 1 year
- [2] 1 – 2 years
- [3] 2 – 4 years
- [4] 4 – 6 years
- [5] More than 6 years

6. An assessment of your income requirements is essential in determining the appropriate asset allocation structure. **CHECK THE BOX THAT BEST APPROXIMATES THE AMOUNT OF CURRENT INCOME THAT THIS ACCOUNT NEEDS TO GENERATE ANNUALLY (AS A PERCENTAGE OF YOUR TOTAL INCOME) FROM ALL SOURCES.**

- [5] 0 – 5%
- [4] 6 – 15%
- [3] 16 – 30%
- [2] 31 – 50%
- [1] Over 50%

7. **HOW LONG COULD YOU COVER MONTHLY LIVING EXPENSES WITH CASH AND INVESTMENTS YOU CURRENTLY HAVE ON HAND (OTHER THAN WITH THE FUNDS IN THIS PORTFOLIO)?**

- [1] 1 month or less
- [2] 1 – 3 months
- [3] 3 – 6 months
- [4] 6 – 12 months
- [5] 12 months or more

8. Your expectation for future earnings will help determine how your assets should be allocated. If you're expecting significant earning increases, it may be appropriate to be somewhat more aggressive. **WHICH ONE OF THE FOLLOWING DESCRIBES YOUR EXPECTED FUTURE EARNINGS (OTHER THAN FROM INVESTMENTS) OVER THE NEXT FIVE YEARS?** (Assume inflation will average 4%).

- [5] I expect my earning increases will far outpace inflation (due to promotions, new job, etc.)
- [4] I expect my earning increases to stay somewhat ahead of inflation.
- [3] I expect my earnings to keep pace with inflation.
- [2] I expect my earnings to stay about the same.
- [1] I expect my earnings to decrease (Retirement, part-time, economically depressed industry, etc.)

Risk Tolerance Questionnaire - Continued

IF A LARGE PORTION OF YOUR INCOME GOES TOWARD PAYING DEBT, YOU MAY NEED TO HAVE CASH AVAILABLE FOR UNFORESEEN CIRCUMSTANCES. OR, YOU MAY HAVE RESPONSIBILITY FOR ONGOING FAMILY OBLIGATIONS. EITHER CAN DICTATE A MORE CONSERVATIVE APPROACH.

9. **APPROXIMATELY WHAT PORTION OF YOUR MONTHLY INCOME GOES TOWARD PAYING OFF INSTALLMENT DEBT?** (AUTO LOANS, CREDIT CARDS, ETC.: OTHER THAN A HOME MORTGAGE)

- [4] Less than 10% [2] Between 26% and 50%
- [3] Between 10% and 25% [1] More than 50%

10. **HOW MANY DEPENDENTS DO YOU HAVE?** (Include children you continue to support, spouse, elderly parents, etc.)

- [4] None [2] 2 to 3
- [3] 1 [1] More than 3

11. **HAVE YOU EVER INVESTED IN INDIVIDUAL STOCKS OR STOCK MUTUAL FUNDS?**

- [0] No, and I would be uncomfortable with the risk if I did.
- [3] No, but I would be comfortable with the risk if I did.
- [2] Yes, but I was uncomfortable with the risk.
- [5] Yes, and I felt comfortable with the risk.

YOUR COMFORT LEVEL WITH INVESTMENT RISK INFLUENCES HOW AGGRESSIVELY OR CONSERVATIVELY YOU CHOOSE TO INVEST. IT SHOULD BE BALANCED WITH THE POTENTIAL OF ACHIEVING YOUR INVESTMENT GOALS.

12. **WHICH ONE OF THE FOLLOWING STATEMENTS BEST DESCRIBES YOUR FEELINGS ABOUT INVESTMENT RISK?**

- [1] I would **only** select investments that have a **low degree of risk** associated with them and to preserve my original investment.
- [2] I prefer to select a mix of investments with **emphasis on** those with a **low degree of risk and** a small portion in other investments that have a higher degree of risk that may yield greater returns.
- [3] I prefer to select a **balanced mix** of investments – some that have a low degree of risk and others that have a higher degree of risk that may yield greater returns.
- [4] I prefer to select an **aggressive mix** of investments – some that have a low degree of risk, but with **emphasis on** others that have a **higher degree of risk** that may yield greater returns.
- [5] I would select an investment that has **only a higher degree of risk** and a greater potential for higher returns.

13. **IF YOU COULD SUBSTANTIALLY INCREASE YOUR CHANCES OF IMPROVING YOUR RETURNS BY TAKING MORE RISK, WOULD YOU:**

- [5] Be willing to take **a lot** more risk with **all** of this portfolio.
- [4] Be willing to take **a lot** more risk with **some** of this portfolio.
- [3] Be willing to take **a little** more risk with **all** of this portfolio.
- [2] Be willing to take **a little** more risk with **some** of this portfolio.
- [1] Be unlikely to take much more risk.

Risk Tolerance Questionnaire - Score

- **ADD YOUR [SCORE] FROM EACH OF THE ABOVE QUESTIONS.**
YOUR SCORE = [_____]

NOTE: If score range is below 15, a Fixed Income Account (such as a Fixed Interest Account or Indexed Annuity) should be utilized.

Risk Tolerance Questionnaire - Recommendation

- **YOUR SCORE ABOVE DETERMINES WHICH RISK CATEGORY BELOW WOULD MATCH THE RANGE COSEST TO YOUR RISK TOLERANCE.**

SERIES I - Conservative	
SCORE RANGE	RISK CATEGORY
15 - 32	BLEND ADVANCED
	BLEND PLUS
	BLEND ELITE
	BLEND SECTOR PLUS
	BLEND SECTOR TREND
	CHARIOT STABLE
	CHARIOT CURRENCY PORTFOLIO

SERIES II - Growth	
SCORE RANGE	RISK CATEGORY
30 - 50	BLEND ADVANCED
	BLEND PLUS
	BLEND ELITE
	BLEND SECTOR PLUS
	BLEND SECTOR TREND
	CHARIOT BALANCED

SERIES III - Aggressive	
SCORE RANGE	RISK CATEGORY
48 - 68	BLEND ADVANCED
	BLEND PLUS
	BLEND ELITE
	BLEND SECTOR PLUS
	BLEND SECTOR TREND
	CHARIOT AGGRESSIVE GROWTH

ACCOUNT TYPE AND RISK CATEGORY ~ SELECTION

Select your Portfolio Account Type & Risk Category:

RISK CATEGORY: (CIRCLE ONE)							
<u>SERIES I -</u> Conservative	BLEND ADVANCED	BLEND PLUS	BLEND ELITE	BLEND SECTOR PLUS	BLEND SECTOR TREND	CHARIOT STABLE	CHARIOT CURRENCY PORTFOLIO
<u>SERIES II -</u> Growth	BLEND ADVANCED	BLEND PLUS	BLEND ELITE	BLEND SECTOR PLUS	BLEND SECTOR TREND	CHARIOT BALANCED	
<u>SERIES III -</u> Aggressive	BLEND ADVANCED	BLEND PLUS	BLEND ELITE	BLEND SECTOR PLUS	BLEND SECTOR TREND	CHARIOT AGGRESSIVE GROWTH	

Account #: _____ **Date:** _____

Client Signature

Client Signature