



## Risk Profile Questionnaire

Assessing your Risk Profile is a critical component of building your investment plan. Wealth Advisory Group evaluates both your capability to withstand risk and your attitudes towards risk and volatility.

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### Risk Tolerance – Assessing your capability to handle risk.

1. **Assets** – The greater your assets the greater the ability to manage risk.
    - a. Approximate Net Worth \_\_\_\_\_
    - b. Investible Assets \_\_\_\_\_ Assets for WAG Engagement \_\_\_\_\_
  
  2. **Accumulation** – Capability to add to investment assets enables greater risk taking.
    - a. Annual Addition to Investable assets \_\_\_\_\_ Number of years \_\_\_\_\_
  
  3. **Liquidations/Distributions** – Large liquidity needs and/or annual distributions limit risk capacity.
    - a. Potential liquidity needs \_\_\_\_\_ Timing \_\_\_\_\_
    - b. Annual distributions \_\_\_\_\_ Starting \_\_\_\_\_
  
  4. **Investment Goals** – The importance of investment goals factors into risk appetite.

The purpose of these investment assets is,

    - a. Emergency funds
    - b. Retirement income
    - c. Specific expenses (education, home remodeling, etc.)
    - d. Preparing for retirement
    - e. Saving for something extra (vacation home, new car)
  
  5. **Age** – Age is an important variable in determining future earnings power and expenses.
    - a. Yourself \_\_\_\_\_ Significant other \_\_\_\_\_
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### Risk Attitude – Understanding your attitudes regarding risk

1. **Investment Knowledge** – The better your understanding of investments the more risks you can take.
  - a. Little or no investment knowledge.
  - b. Some familiarity with investing.
  - c. Good understanding of markets.
  - d. Extensive or expert knowledge.
  
2. **Risk Perception** – Your reactions to risk and your finances are important.

When I hear about risk/volatility associated with my finances,

  - a. I am concerned about losing everything.
  - b. While not happy, I understand it is part of the process.
  - c. I see potential for returns.
  - d. The thrill of investing excites me.



3. Investment Decision-making – Assessing your comfort with making investment decisions.

When faced with tough financial decisions,

- a. It is difficult to make decisions and I often second-guess my choices.
b. I may hesitate to make investment choices.
c. After evaluating the options, I make a choice and rarely look back.

4. Reaction to Investment Losses / Experience – Reaction to loss is a critical investment decision.

If my investments were down 20% (\$100,000 investment now worth \$80,000), I would

- a. Sell Everything.
b. Sell some.
c. Do nothing.
d. Reallocate my assets
e. Buy more.

I have experienced a 20% decline in my assets. Yes \_\_\_\_ No \_\_\_\_

5. Range of Returns – Understanding the acceptable range of investment outcomes.

Table with 6 columns: Outcome (a-e), 1 year Potential Return (% Upside, % Downside), Value of \$100,000 after 1 year (Gain, Loss), and Long-term Return.

Chose the set of outcomes with which you are most comfortable.

Declaration

I declare that I have reviewed the information collected in this data sheet and that the investment data is correct to the best of my knowledge.

Client A Printed Name

Signature

Date

Client B Printed Name

Signature

Date