

RISK TOLERANCE QUESTIONNAIRE

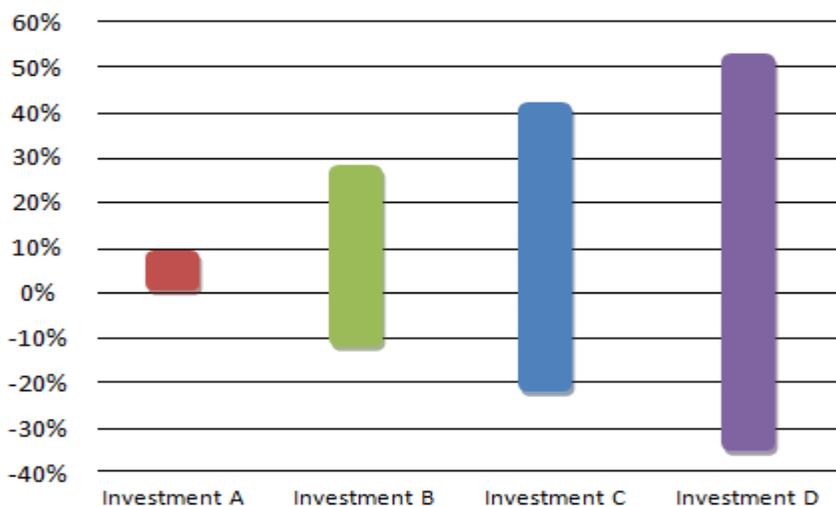
CLIENT NAME: _____ JOINT OWNER NAME: _____

ACCOUNT TYPE: _____

1. Which of the following most accurately describes your general attitude towards investing? Value
- A. In order to minimize fluctuations in my investments, I am willing to accept lower possible returns over the long run. ___12
- B. I am willing to accept possible fluctuations in my investments in order to earn moderate returns over the long run. ___8
- C. I am willing to accept fluctuations in my investments in order to earn above average potential returns over the long run. ___3
- D. I am willing to accept larger and occasionally drastic fluctuations in my investment in order to have higher potential returns over the long run. ___0

2. You have \$100,000 to invest in one of four assets. The chart below shows the range of possible values of your \$100,000 investment after one year (the number in parenthesis represents the portfolio value). With which investment would you be most comfortable?

	<u>Best Case</u>	<u>Most Likely Case</u>	<u>Worst Case</u>	<u>Value</u>
Investment A	9% (\$109,000)	5% (\$105,000)	1% (\$101,000)	___16
Investment B	28% (\$128,000)	10% (\$110,000)	-12% (\$88,000)	___12
Investment C	43% (\$143,000)	13% (\$113,000)	-24% (\$76,000)	___6
Investment D	53% (\$153,000)	15% (\$115,000)	-37% (\$63,000)	___0



3. In general, which best describes your attitude towards declines in investment value? Value
- A. I check the value of my investments frequently so I can sell quickly if they begin to decline in value. ___8
- B. Although daily declines in the value of my investments make me uncomfortable, I am likely to sell only if my investments decline substantially over a full quarter. ___6
- C. Although I focus on quarterly performance trends, I usually wait an entire year before making any changes to my investments. ___4

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ASSET MANAGEMENT

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D. Even if my investments significantly decline in value over a given year, I would continue to follow a consistent long-term investment program and retain my investments. ___0

4. How do you feel about the following statement? Maintaining the principal value of my investment account is more important than achieving significant growth.

- A. Strongly Agree ___9
- B. Agree ___7
- C. Somewhat Agree ___5
- D. Disagree ___3
- E. Strongly Disagree ___0

5. When investing, an investment’s risk and return characteristics are an important part of the decision-making process. Please select the investment “characteristics” with which you would feel most comfortable.

<u>Return Fluctuations (Risk)</u>	<u>Long-term Return Potential (Return)</u>	<u>Chance of Losing Value in Any Single Year (Probability)</u>	
A) Low	Low	Low	___14
B) Moderate	Moderate	Moderate	___10
C) High	High	High	___5
D) Very High	Very High	Very High	___0

6. The risk of an investment suffering a decline in value (having a negative return) is often a primary consideration for investors. To achieve higher returns, an investor must accept more risk (volatility of investment value). The following table represents four hypothetical \$100,000 investments. For each investment, the expected value at the end of year 3 is displayed along with the chance of suffering a decline over that 3 year period. Given your investment objective, in which of the four investments would you be most comfortable investing?

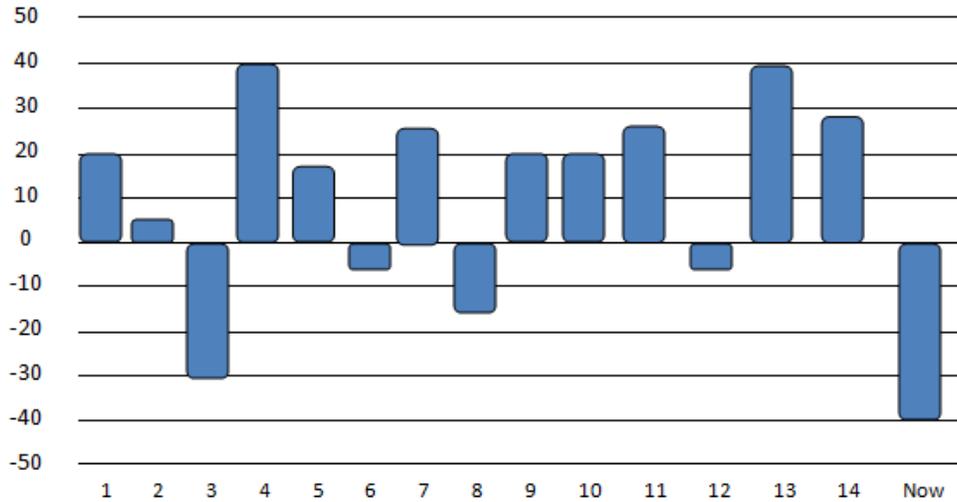
	<u>Expected Value of \$100,000 After 3 Years</u>	<u>Chance of Investment Value Being Less Than \$100,000 After 3 Years</u>	
Investment A	\$116,000	6 out of 100	___16
Investment B	\$131,000	8 out of 100	___11
Investment C	\$141,000	10 out of 100	___7
Investment D	\$149,000	12 out of 100	___0

7. Inflation can greatly erode the return on your investments. In a hypothetical year with a 3 percent inflation rate, an investment with a 7 percent return would have a post-inflation return of only 4 percent. Which of the following best summarizes your attitude regarding investments and inflation?

- A. I would be satisfied with an investment that is expected to only keep pace with inflation and am willing to accept low risk for potentially low returns. ___17
- B. I prefer an investment that is expected to moderately outperform inflation and am willing to accept moderate risk for potentially moderate returns. ___10
- C. I prefer an investment that is expected to outperform inflation and am willing to accept a higher level of risk for potentially higher returns. ___6
- D. I prefer an investment that is expected to substantially outperform inflation and am willing to accept a very high level of risk for potentially substantial returns. ___0



8. Suppose that over the past 15 years, one of your investments had the following pattern of annual return, which is similar to other investments with the same objective. What would you do at this point?



- A. I would buy more of the investment. ___0
- B. I would sell some of the investment. ___6
- C. I would sell all of the investment. ___10
- D. I would hold on to my existing investment. ___2

9. Time Horizon

9a. Given your financial objective, when (and if) do you expect to begin withdrawing money from your account?

- Under 3 years ___0
- 3-5 years ___4
- 6-8 years ___7
- 9-11 years ___10
- 12+ years ___14

9b. When you begin withdrawing money, how long do you expect these withdrawals to continue?

- Lump sum withdrawal ___0
- 1-5 years ___1
- 6-10 years ___4
- 11-15 years ___6
- 16+ years, or does not apply ___9

*Add values of 9a + 9b and choose appropriate answer:

- A. 0-2 ___86
- B. 3-4 ___65
- C. 5-7 ___31
- D. 8-10 ___10
- E. 11 or greater ___0

Total of Values for Questions 1-9 _____

The investment scenarios shown are hypothetical and do not reflect the performance of an actual investment or strategy.



Grand Total:	86 and Higher	65-85	31-64	10-30	0-9
Portfolio:	Income	Income & Growth	Conservative Growth	Growth	Aggressive Growth

The results of this questionnaire accurately reflect my investment attitudes and beliefs.

Client Signature: _____ Date: _____

Joint Owner Signature: _____ Date: _____

Investment Objective: _____

The Income Portfolio

The income Portfolio is appropriate for investors whose primary objective is income. The portfolio maintains a small equity allocation to lessen the effects of long-term inflation.



The Income and Growth Portfolio

The Income and Growth Portfolio is appropriate for investors whose primary objective is income with a secondary objective of modest long-term growth.



The Conservative Growth Portfolio

The Conservative Growth Portfolio is appropriate for investors whose primary objective is growth of principal with a secondary objective of income.



The Growth Portfolio

The Growth Portfolio is appropriate for investors whose objective is high long-term growth or principal. The portfolio maintains a small fixed income allocation to temper volatility.



The Aggressive Growth Portfolio

The Aggressive Growth Portfolio is appropriate for investors whose objective is the highest possible long-term growth of principal, with the understanding that there may be considerable fluctuations in value, especially over the short-term, including loss of principal.

