ASSET ALLOCATION QUESTIONNAIRE

Step One - Use this questionnaire to help you select the appropriate managed model for our "Investment Valet™" service. Circle and enter the point value that best describe your reaction to each statement below. Answer every question/statement.

How do you feel about risk?	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Points
If I inherited $10,000, I would invest it all in the stock market. Nothing ventured, nothing gained.	40	30	20	10	
I prefer investments designed for performance and growth over investments with low risk.	40	30	20	10	
Rather than the excitement of a quick "killing" in the stock market, I prefer making money in a safer environment.	10	20	30	40	
I believe that investing conservatively, over a long period of time can improve my financial situation.	10	20	30	40	
I don't mind taking a few investment risks in order to get a greater return.	40	30	20	10	
When it comes to my finances, I avoid things that are unpredictable or risky.	10	20	30	40	

What are your savings circumstances?	Circle answer and enter point value on line below		
Do you have a "stash" of money to support 3 to 6 months of expenses in case of an emergency?	Yes (25)	No (0)	
When might you foresee an emergency in which you might need to access funds from your savings plan?	1–5 yrs (0)	6–10 yrs (25)	10+ yrs (50)
When do you expect to retire?	1–5 yrs (0)	6–10 yrs (25)	10+ yrs (50)
TOTAL POINTS			

Your Investment Rating and Asset Allocation Model Selection		Recommended Model
125 Points or less	You may be a conservative investor with a low tolerance for short term risk. Because you want to preserve the value of the dollars you invest, you may be willing to accept a lower return on your investments in exchange for less risk of losing money. Conservative investment choices will likely remain maintain more consistent values from year to year. However, conservative investments have a great deal of long-term inflation risk and may not outpace inflation.	Cautious
130 – 290 points	You may be a moderate investor who tends to divide investments between those with higher short-term risk and those with lower short-term risk, but not necessarily evenly. You may be able to tolerate some uncertainty for a greater rate of anticipated return.	Moderate
291 points or more	You may be an aggressive investor and have a high tolerance for short term risk . Because you may want your money to grow significantly over time, you may be willing to accept a greater degree of volatility in the financial markets over the short term. You choose investments that fluctuate over the short-term, but over the long term are expected to produce much higher returns.	More Aggressive

NOTE: Investments in mutual funds are not guaranteed. The value of the shares will fluctuate with market activity, and are not FDIC insured.

RETIREMENT PLANNING WORKSHEET

Developing Your Personal Investment Strategy.

When you build a house, you need a blueprint. When you take a long trip to a new place, you need a road map. In planning for retirement, you need a clear idea of how much income you'll need to live on and where that income will come from.

The road to a successful retirement begins with a plan. The first part of that plan involves finding out how much money you will need to live on in retirement. Your expenses will generally be less in retirement than they are when you are working. Your mortgage may be paid off, your children will be grown and on their own, and you won't have work related expenses such as commuting costs, meals, and work clothes. However, some expenses – medical costs, for example – may be higher.

Recent studies show that retirees usually need about 80% of their pre-retirement income to live comfortable. Take a look at the following chart. It shows how much income you will need for retirement based on your last annual salary before you retired, using the basic 80% rule. (Of course, your own future situation may require more or less income.)

Retirement Income Needed

Annual Salary Before Retirement	Needed Retirement Income in Today's Dollars
$20,000	$16,000
$30,000	$24,000
$40,000	$32,000
$50,000	$40,000
$75,000	$60,000

Your Retirement Resources

* Assume 3% annual inflation.
** Assume 8% annual investment return.
*** Future investment returns cannot be predicted and your actual returns and principal value will differ.

Years to Retirement	Inflation Factor *	Investment Factor **
5	1.16	5.87
10	1.34	14.49
15	1.56	27.15
20	1.81	45.76
25	2.09	73.11
30	2.43	113.28
35	2.81	172.32
40	3.26	259.06

Now that you have an idea how much income you would need if you were retiring today, you need to figure out where that income will come from and how much will be required in the future.

Line Number	Example	You
Line 1- Your current yearly income.	$30,000	$
Line 2- Yearly income you need at retirement.	$24,000 (80% of $30,000)	$
Line 3- An estimate of your Social Security benefit. Multiply Line 1 by .25 up to a maximum of $13,880.	$7,500	$
Line 4- The annual income you will need to replace through retirement savings and personal assets. Subtract Line 3 from Line 2.	$16,500	$
Line 5- Now adjust your current replacement income for inflation by multiplying Line 4 by the inflation factor from the accompanying table. The inflation factor figure is across from the number of years you have left until you retire. For this example, we assume 20 years left to retirement. Thus, we multiply $16,500 by 1.81.	$29,865	$
Line 6- Value of your current assets (home value less mortgage owed, savings, investments, etc.) adjusted for inflation (Example: $100,000 multiplied by inflation factor of 1.81).	$181,000	$
Line 7- What lump sum at retirement will you need to have to give you the yearly income in Line 5 to last throughout retirement? Multiply Line 5 by 10***.	$298,650	$
Line 8- Subtract Line 6 from Line 7 to find how much you'll need to save.	$117,650	$
Line 9- How much will you have to set aside each year in order to work toward your retirement goal of $117,650? Divide Line 8 by the investment factor in the accompanying table (example: $117,650 divided by 45.76).	$2,571	$
Line 10- The amount you need to invest each month toward retirement. Divide Line 9 by 12.	$214 Monthly Investment	$