



PERSONAL INVESTMENT PROFILE

A SIMPLE, THREE-STEP PROCESS TOWARD BUILDING A COMPREHENSIVE PORTFOLIO

Please keep in mind that this information is provided for general and educational purposes only, and is not intended to provide specific investment advice. Beacon encourages you to contact your advisor regarding your specific investments situation.

Advisors and investors may access order forms on-line from our [RESOURCES](#) section.

1. CONSULT

Investors should consult an advisor and familiarize themselves with Beacon's approach.

	Beacon Core Portfolios	Beacon Core Plus Portfolios
Primary preference	A passively managed global portfolio comprised of investment indexes made up of stocks, bonds and cash?	A passively managed global portfolio indexed to stocks, bonds and cash which may also be complemented by an active management overlay, as well as alternative investments?
Suitability	This selection is well-suited to investors who like the familiarity of investing in a portfolio simply composed of stocks, bonds and cash.	This selection is well-suited to investors who like the familiarity of investing in a core portfolio – yet also appreciate the additional potential of an active management overlay – and some exposure to alternative investments.
Description	10 passively managed, indexed target risk portfolios. Alternative investments do not play a role.	10 indexed target risk portfolios that combine a passive approach with an overlay of active management.
Alternative investments	Do not play a role.	May play a role.
Index models	Dimensional Fund Advisors Lehman Brothers	Dimensional Fund Advisors Lehman Brothers Intellidex Indexes Select alternative indexes

2. ANSWER

Beacon's profiling questionnaire — or utilize another questionnaire — then calculate the score to determine investment time horizon and risk tolerance

3. MAKE A PORTFOLIO CHOICE

Using your questionnaire score, choose the appropriate portfolio.

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PERSONAL INVESTMENT PROFILE

Client name	Contact person
Mailing address	Mailing address
City, State, Zip Code	City, State, Zip Code
Telephone	Telephone
Fax	Fax
E-mail address	E-mail address

INVESTMENT QUESTIONNAIRE

TIME HORIZON

1. When do you expect to begin withdrawing money from this investment?

- a. Less than 1 year. (0)
- b. 1 – 2 years. (1)
- c. 3 – 5 years. (4)
- d. 6 – 10 years. (6)
- e. 11 – 15 years. (10)
- f. More than 15 years. (14)

ENTER SCORE _____

2. Once you begin withdrawing money from this investment, how long do you expect the withdrawals to last?

- a. Less than 2 years. (0)
- b. 3 – 5 years. (1)
- c. 6 – 10 years. (3)
- d. 11 – 15 years. (4)
- e. More than 15 years. (6)

ENTER SCORE _____



RISK TOLERANCE

1. Inflation can erode the return on your portfolio. For example in a typical year with a 3.5% inflation rate, a portfolio with a 6% return before inflation would have a real return of only 2.5% (6% - 3.5% = 2.5%). However, investments that are expected to beat inflation over time, may experience short-term losses.

Which of the following statements best reflects your views toward investment risk and the effects of inflation?

- a. My main goal is to avoid loss even if I may earn less than inflation. (0)
- b. While I would like a low volatility, my main goal is to earn slightly more than inflation. (1)
- c. I am willing to accept some volatility for a chance to increase the value of my portfolio and outperform inflation over time. (2)
- d. I am willing to accept higher volatility for the chance to maximize the return of my portfolio and to outperform inflation. (4)

ENTER SCORE _____

2. Let us presume you invested \$100,000 in an investment account with the intention of holding it for 10 years. If this investment were to lose value during the first year, at what value of your initial \$100,000 investment would you move to a more conservative option?

- a. \$95,000 (0)
- b. \$90,000 (1)
- c. \$85,000 (2)
- d. \$80,000 or less (3)
- e. I would not move to a more conservative option (4)

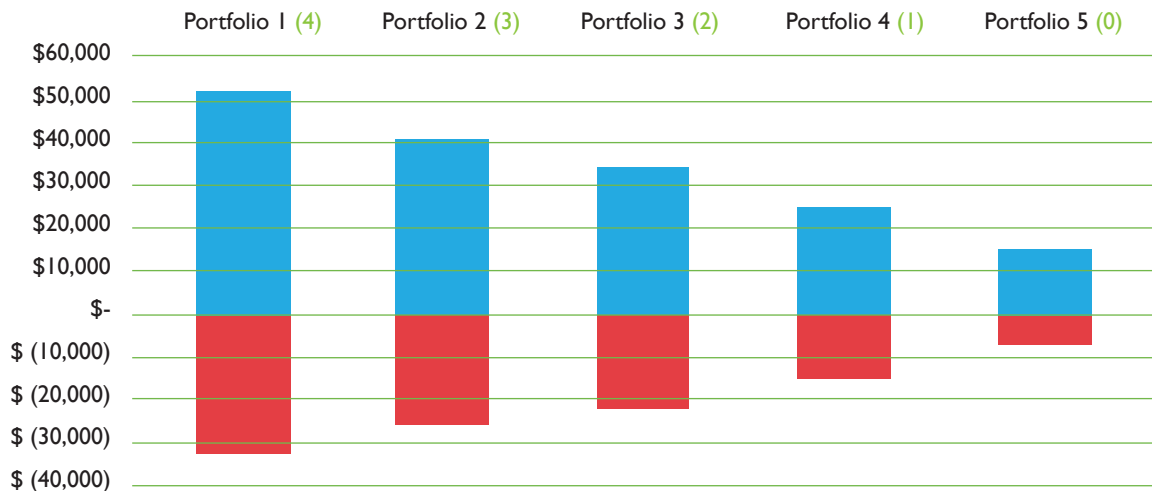
ENTER SCORE _____

3. The following table shows the probable performance of four hypothetical portfolios over a 10-year holding period. In which of the following portfolios would you prefer to invest?

	Possible number of years with negative returns	Possible worst 1-year annual return	Possible 10-year average annual return
Portfolio 1 (0)	1 out of 10	-7%	5.3%
Portfolio 2 (1)	2 out of 10	-22%	6.3%
Portfolio 3 (2)	3 out of 10	-26%	7.8%
Portfolio 4 (4)	4 out of 10	-33%	8.2%

ENTER SCORE _____

4. The following graph shows the hypothetical one-year return on \$100,000 invested in five portfolios. The best potential and worst potential returns are presented. In which of these portfolios would you prefer to invest?



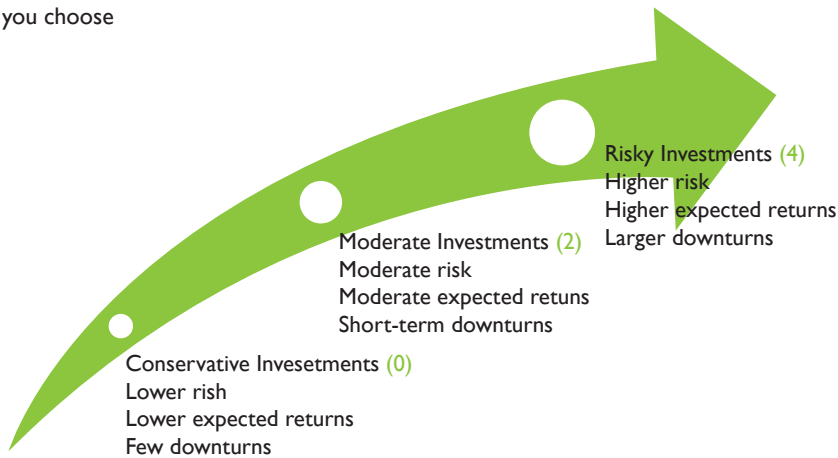
ENTER SCORE _____

5. The following statements describe the most likely gain, as well as the chance of loss, on \$100,000 invested for one-year in five hypothetical portfolios. Which portfolio would you select?

	Most likely gain at the end of 1-year	Chance of a negative return
Portfolio 1 (0)	\$5,500	18%
Portfolio 2 (1)	\$6,800	24%
Portfolio 3 (2)	\$8,300	30%
Portfolio 4 (3)	\$9,200	33%
Portfolio 5 (4)	\$10,400	44%

ENTER SCORE _____

6. Investing involves a trade-off between risk and returns, as depicted in the diagram below. Three portfolios are shown on this diagram in order of increasing risk and return. Which of the following portfolios would you choose



ENTER SCORE _____

RISK PERSONALITY

1. When faced with an investment decision, are you more concerned about the possible losses or the possible gains?

- a. Always the possible losses. (0)
- b. Usually the possible losses. (1)
- c. Usually the possible gains. (2)
- d. Always the possible gains. (4)

ENTER SCORE _____

2. What degree of risk have you taken with your investments in the past?

- a. Very small. (0)
- b. Small. (1)
- c. Medium. (2)
- d. Large. (3)
- e. Very large. (4)

ENTER SCORE _____

3. What degree of risk are you currently prepared to take with your investments?

- a. Very small. (0)
- b. Small. (1)
- c. Medium. (2)
- d. Large. (3)
- e. Very large. (4)

ENTER SCORE _____

4. Have you ever borrowed money to make an investment (other than for your home)?

- a. No. (2)
- b. Yes. (3)

ENTER SCORE _____

INCOME QUESTIONS

1. What is your annual income?

- a. Less than \$50,000 (0)
- b. \$50,000 - \$99,000 (1)
- c. \$100,000 - \$149,000 (2)
- d. \$150,000 - \$250,000 (3)
- e. More than \$250,000 (4)

ENTER SCORE _____

2. Inflation is typically 3.5% per year. Do you expect your income to increase above the rate of inflation over the next five years?

- a. I expect my income to increase and far outpace inflation (due to promotions, new job, etc.) (4)
- b. I expect my income to increase and stay somewhat ahead of inflation. (2)
- c. I expect my income to keep pace with inflation. (1)
- d. I expect my income to decrease (due to retirement, part-time work, economically depressed industry, etc.) (0)

ENTER SCORE _____

3. What is your estimated net worth? In other words, calculate what you own minus what you owe. This includes equity in your home, your investments, the equity value of rental properties, and business equity, etc.

- a. Less than \$25,000 (0)
- b. \$25,000 - \$49,000 (1)
- c. \$50,000 - \$99,000 (2)
- d. \$100,000 - \$250,000 (3)
- e. More than \$250,000 (4)

ENTER SCORE _____

4. Approximately what portion of your take-home income goes toward paying off debt other than a home mortgage? (auto loans, credit cards, etc.)

- a. Less than 10% (4)
- b. 10% - 24% (2)
- c. 25% - 50% (1)
- d. More than 50% (0)

ENTER SCORE _____

5. Do you have an emergency fund (savings of at least months after-tax income)?

- a. No, I do not have an emergency fund. (0)
- b. I have an emergency fund, but it is less than three months of after-tax income. (1)
- c. Yes. I have an adequate emergency fund. (3)

ENTER SCORE _____

6. How many dependents do you have? (include children you support, elderly parents, etc.)

- a. 0 (4)
- b. 1 (2)
- c. 2 - 3 (1)
- d. More than 3 (0)

ENTER SCORE _____

INVESTMENT KNOWLEDGE

1. The performance of an investment portfolio depends:

- a. Mostly on investment selection (0)
- b. Mostly on asset allocation (3)
- c. Equally on investment selection and asset allocation (0)

ENTER SCORE _____

2. To realize the long-term benefits of diversification, it's important to invest in asset classes with:

- a. Low correlation to one another (3)
- b. High correlation to one another (0)
- c. Correlation doesn't matter (0)
- d. Not sure what correlation is (0)

ENTER SCORE _____

3. Mutual funds that invest in international stocks are too risky for most investment portfolios.

- a. True (0)
- b. False (3)

ENTER SCORE _____

4. Investing across asset classes such as stocks, bonds, and alternative investments (i.e. currencies, commodities, real estate) can reduce a portfolio's volatility.

- a. True (3)
- b. False (0)

ENTER SCORE _____

5. Even in the best investment portfolios, not all of the assets perform well at the same time.

- a. True (3)
- b. False (0)

ENTER SCORE _____

6. Over the last 20 years, which of the following has appreciated the most?

- a. Stocks (3)
- b. Bonds (0)
- c. Housing prices (0)

ENTER SCORE _____

7. Which of the following organizations insures you against your losses in the stock market?

- a. FDIC (Federal Deposit Insurance Corporation) (0)
- b. FINRA (Financial Industry Regulatory Authority) (0)
- c. SEC (Securities and Exchange Commission) (0)
- d. SIPC (Securities Investor Protection Corporation) (0)
- e. None of the above (3)

ENTER SCORE _____

MAKE A PORTFOLIO SELECTION BASED ON PERSONAL SCORE

MY TOTAL SCORE _____

BEACON CORE PORTFOLIOS

	Core 10	Core 20	Core 30	Core 40	Core 50	Core 60	Core 70	Core 80	Core 90	Core 100
Score total	Under 15 <input type="checkbox"/>	15-24 <input type="checkbox"/>	25-34 <input type="checkbox"/>	35-44 <input type="checkbox"/>	45-54 <input type="checkbox"/>	55-64 <input type="checkbox"/>	65-74 <input type="checkbox"/>	75-84 <input type="checkbox"/>	85-94 <input type="checkbox"/>	95-Plus <input type="checkbox"/>
	Preservation Primarily	Conservative	Conservative Moderate	Moderate	Moderate Balanced	Balanced	Balanced Growth	Growth	Growth Aggressive	Aggressive
Growth Objective	Very Low	Low	Low Moderate	Moderate	Moderate	Moderate	Moderate High	High	High	Very High
Income Objective	Moderate	High	High	High	Moderate	Moderate Low	Low	Very Low	Very Low	Very Low
Risk Tolerance	Very Low	Low	Low Moderate	Moderate	Moderate	Moderate High	High	High	High	Very High
Time Horizon	6 months	1 year	2-3 years	4-5 years	6-8 yeats	9-10 years	11-15 years	16-20 years	21-25 years	26+ years

BEACON CORE PLUS PORTFOLIOS

	Core Plus 10	Core Plus 20	Core Plus 30	Core Plus 40	Core Plus 50	Core Plus 60	Core Plus 70	Core Plus 80	Core Plus 90	Core Plus 100
Score total	Under 15 <input type="checkbox"/>	15-24 <input type="checkbox"/>	25-34 <input type="checkbox"/>	35-44 <input type="checkbox"/>	45-54 <input type="checkbox"/>	55-64 <input type="checkbox"/>	65-74 <input type="checkbox"/>	75-84 <input type="checkbox"/>	85-94 <input type="checkbox"/>	95-Plus <input type="checkbox"/>
	Preservation Primarily	Conservative	Conservative Moderate	Moderate	Moderate Balanced	Balanced	Balanced Growth	Growth	Growth Aggressive	Aggressive
Growth Objective	Very Low	Low	Low Moderate	Moderate	Moderate	Moderate	Moderate High	High	High	Very High
Income Objective	Moderate	High	High	High	Moderate	Moderate Low	Low	Very Low	Very Low	Very Low
Risk Tolerance	Very Low	Low	Low Moderate	Moderate	Moderate	Moderate High	High	High	High	Very High
Time Horizon	6 months	1 year	2-3 years	4-5 years	6-8 yeats	9-10 years	11-15 years	16-20 years	21-25 years	26+ years

Please remember that all investments carry some level of risk. They do not typically grow at an even rate of return and may experience negative growth. Investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Diversification does not assure a profit or guarantee against in declining markets.

CLIENT ACCEPTANCE

I/We have reviewed the results of the Client Profile Questionnaire with my financial advisor and agree that this reflects my risk and return parameters.

Client Signature _____ Printed Name _____ Social Security/Tax ID # _____ Date _____

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