

RISK TOLERANCE QUESTIONNAIRE

Different investors have different risk tolerances. Much of the difference stems from time horizon. That is, someone with a short investment time horizon is less able to withstand losses. The remainder of the difference is attributable to the individual's appetite for risk. Volatility can be nerve-wracking for many people and they are more comfortable when they can avoid it. However, there is a definite relationship between risk and return. Investors need to recognize this risk/return trade-off. The following risk tolerance questionnaire has been designed to measure an individual's ability (time horizon) and willingness (risk tolerance) to accept uncertainties in their investment's performance.

The information provided in this questionnaire is not intended to be investment advice and does not constitute a recommendation to buy or sell securities.

1) What is your approximate yearly household income? Include salary, bonuses, commission, pension plan distributions (excluding one-time lump distributions), Social Security, interest and dividends earned, and other income:

- Under \$50,000
- \$50,000 to \$100,000
- \$100,000 to \$200,000
- \$200,000 - \$300,000
- \$300,000 - \$400,000
- Over \$400,000

2) How much do you expect your household income to change over the next three years?

- Within 5% up or down
- Decrease 5% to 20%
- Decrease greater than 20%
- Increase 5% to 20%
- Increase greater than 20%

3) How much do you expect your household expenses to change over the next three years?

- Within 5% up or down
- Decrease 5% to 20%
- Decrease greater than 20%
- Increase 5% to 20%
- Increase greater than 20%

4) What is the total current market value of all of your assets?

5) What is the total value of all of your outstanding liabilities?

Lorelle Farber, CRPC® ADPA®
Financial Advisor

Direct: (425) 214-0432 • Fax: (425) 641-8778 • Phone: (425) 641-8788 x232
10900 NE 8th Street, Suite 1550 • Bellevue, WA 98004

Registered Representative of, and Securities and Investment Advisory Services offered exclusively through Hornor, Townsend & Kent, Inc. a Registered Investment Advisor, member FINRA/SIPC. Pacific Capital Resource Group, Inc. is independent of Hornor, Townsend & Kent, Inc. and is a licensed insurance agency. CA License #OG31971 A4YK-1212-01E2

PACIFIC CAPITAL
RESOURCE GROUP, INC.
Planning Your Financial Future

- 6) If you needed \$10,000 due to an unexpected financial obligation, would you have to redeem from your account?
- Yes
 - No

- 7) Months of Living Expenses in Savings Account:

- 8) What is your net monthly savings as a percent of your monthly income?

- Less than 0%
- 0 - 5%
- 6 - 20%
- 20+ %

- 9) Liquid Assets:

- 10) What is your primary investment goal?

- Build Wealth
- Finance retirement
- Generate Income
- Other

- 11) In approximately how many years do you expect to need the money you're investing?

- 3 years
- 5 years
- 10 years
- 15 years
- 20 years
- Greater than 20 years

- 12) What is your primary investment objective?

- Safety of Principal
- Income
- Growth & Income
- Growth
- Aggressive Growth
- Speculation

- 13) What is your federal income tax rate?

- 0% / Tax deferred (IRA Keogh, etc.)
- 10%
- 15%
- 25%
- 28%
- 33%
- 35%

- 14) Is tax sensitive investing a primary goal?

- Yes
- No

Lorelle Farber, CRPC® ADPA®
Financial Advisor

Direct: (425) 214-0432 • Fax: (425) 641-8778 • Phone: (425) 641-8788 x232
10900 NE 8th Street, Suite 1550 • Bellevue, WA 98004

Registered Representative of, and Securities and Investment Advisory Services offered exclusively through Hornor, Townsend & Kent, Inc. a Registered Investment Advisor, member FINRA/SIPC. Pacific Capital Resource Group, Inc. is independent of Hornor, Townsend & Kent, Inc. and is a licensed insurance agency. CA License #OG31971 A4YK-1212-01E2

PACIFIC CAPITAL
RESOURCE GROUP, INC.
Planning Your Financial Future

15) How much money are you currently saving on an annual basis?

16) Investment Experience:

- None - No investment experience.
- Average - General knowledge of risks and rewards. Infrequent investing.
- Above Average - Invests frequently. Has a number of years experience in investing.
- Active - Extensive knowledge of investments and frequently invests.

17) The portfolio we recommend for you may fluctuate over the short term. Hypothetically, if you invested \$100,000 and it was performing in line with world financial markets and lost value during a year, at what point would you sell? (Choose one)

- I would not sell.
- 90k
- 80k
- Less than 80K

18) I am prepared to sacrifice some safety of principal to achieve higher market returns.

- Agree
- Somewhat agree
- Somewhat disagree
- Disagree

19) I am willing to accept some risk in an effort to stay ahead of inflation.

- Agree
- Somewhat agree
- Somewhat disagree
- Disagree

20) I am willing to accept fluctuating returns in order to pursue my goal over the long term.

- Agree
- Somewhat agree
- Somewhat disagree
- Disagree

21) I am comfortable holding a portfolio that may experience negative returns for a period of time.

- Agree
- Somewhat agree
- Somewhat disagree
- Disagree

22) I am willing to accept higher volatility to achieve above average returns.

- Agree
- Somewhat agree
- Somewhat disagree
- Disagree

Lorelle Farber, CRPC® ADPA®
Financial Advisor

Direct: (425) 214-0432 • Fax: (425) 641-8778 • Phone: (425) 641-8788 x232
10900 NE 8th Street, Suite 1550 • Bellevue, WA 98004

Registered Representative of, and Securities and Investment Advisory Services offered exclusively through Hornor, Townsend & Kent, Inc. a Registered Investment Advisor, member FINRA/SIPC. Pacific Capital Resource Group, Inc. is independent of Hornor, Townsend & Kent, Inc. and is a licensed insurance agency. CA License #OG31971 A4YK-1212-01E2