Your Dream Path Journey
Spectrum Financial Strategies

Investor Questionnaire

CLIENT NAME

CLIENT PHONE#

EMAIL

CLIENT SIGNATURE

DATE

WORLDSOURCE
FINANCIAL MANAGEMENT INC.
MUTUAL FUND DEALER

Structuring your investment portfolio is a balancing act between your financial needs, time horizon, attitude toward risk and ability to tolerate fluctuations in your accounts. This questionnaire is designed to identify a customized allocation strategy to assist you in meeting your financial goals.

Please answer all of the questions and select the one answer that best reflects your situation and your objectives. The answers to each question are assigned a point value. The point values are indicated within the brackets in front of each response.

Spectrum Financial Strategies
Stratégies Financières Spectrum

Worldsource Financial Management Inc.
Mutual Fund Dealer

PERSONAL SITUATION

Your personal financial situation impacts your capacity to tolerate fluctuations in your investment accounts. In particular, the number of years until retirement, your income and savings patterns, and your other investments are relevant in customizing your portfolio. For example, the further you are from retirement, the more capacity you have to tolerate fluctuations in your account.

1. Your age is:

[25] ☐ 30 and under [15] ☐ 31 to 40 [8] ☐ 41 to 55 [4] ☐ 56 to 65 [0] ☐ Over 65

2. Your average annual income from all sources before tax (e.g. Pension, employment, investments, etc.) is:

[0] ☐ Under $50,000.

[2] ☐ $50,001 to $100,000.

[8] ☐ $100,001 to $200,000.

[10] ☐ $200,001 to $500,000.

[12] ☐ Over $500,001.

3. Although your income level is a factor in determining your asset mix, your propensity to save also factors into your ability to tolerate fluctuations in your accounts. You regularly save the following percentage of your income for special expenditures, such as education, mortgage lump sum repayments, retirement, etc.:

[0] ☐ 0% [2] ☐ 5% [4] ☐ 10% [6] ☐ 15% [8] ☐ 20%

4. You expect your current income level (at a minimum) to continue for the:

[0] ☐ Next 3 years.
[4] ☐ Next 6 years.
[8] ☐ Next 10 years.
[15] ☐ Next 15 years.
[20] ☐ Next 15 years or more.

5. One of the most important factors in assessing your ability to tolerate fluctuations in your investment accounts is the stability of your annual income, whether it's from employment or some other source. You would describe your financial situation as being:

[0] ☐ Very insecure and unstable.
[4] ☐ Somewhat insecure and unstable.
[8] ☐ Moderately secure and stable.
[12] ☐ Secure and stable.
[15] ☐ Very secure and stable.

INVESTMENT OBJECTIVES AND GOALS

Your investment goals impact the asset allocation that may be appropriate for you. The amount of cash that you anticipate withdrawing, the timing of those withdrawals, and your flexibility around meeting your goals at a specific date are important factors. For example, if you desire to have your investments easily liquidated or accessible, we would typically invest a smaller amount of your portfolio in more volatile investments like equities/stocks to ensure that you are not forced to sell securities when their value may be low.

6. Currently, your main objective for this investment account is to:

- [0] ☐ Maintain the purchasing power of your original investment.
- [2] ☐ Generate regular cash flow to meet ongoing expenses.
- [4] ☐ Grow your account and draw regular income from the account.
- [6] ☐ Grow your account and not draw any income from the account.
- [8] ☐ Aggressively grow your account to maximize its value.

☐

7. It is important to understand whether you want this account to provide ongoing income in the near future. In general, the more immediate your need for ongoing income, the lower your ability to tolerate fluctuations in your account. When do you plan to draw income regularly from the account?

- [0] ☐ Immediately.
- [2] ☐ Within 3 years.
- [4] ☐ In 3 to 5 years.
- [6] ☐ In 6 to 10 years.
- [8] ☐ In 10 to 15 years.
- [10] ☐ In more than 15 years.

☐

8. The length of time that you plan to hold your investments is important in determining an appropriate investment strategy for you. Generally, the longer you are able to hold your investments the greater your ability to tolerate fluctuations in your account. You expect to withdraw a significant amount of the original investment (more than one-third):

- [0] ☐ Within 3 years.
- [2] ☐ In 3 to 5 years.
- [6] ☐ In 6 to 10 years
- [8] ☐ In 10 to 15 years.
- [12] ☐ In more than 15 years.

☐

9. You may be aiming to meet your financial goal by a certain date. For example, if your goal is saving for retirement, you may aim to accumulate $1 million in 10 years. In view of your personal circumstances, including other financial resources that may be available to you, select the statement below that best reflects your specific requirements for this investment:

- [0] ☐ It is essential that you meet your financial goal by your target date.
- [4] ☐ It would be acceptable if you can come close to your financial goal by your target date.
- [8] ☐ Your goal date is flexible and although you prefer to meet your financial goal by your target date, you can extend that date by a couple of years.
- [10] ☐ Your financial goal and the target date are flexible, so you would re-evaluate your financial position and goal regularly.

☐

10. The specific date when you hope to meet your financial goal is:

- [8] ☐ Not established, as you don't have this account earmarked to fulfill a specific financial goal.
- [0] ☐ Within 3 years.
- [2] ☐ In 3 to 5 years.
- [4] ☐ In 6 to 10 years.
- [8] ☐ In 10 to 15 years.
- [10] ☐ In more than 15 years.

☐

11. While updating your financial plan, if you find that you will fall short of your financial target, you will:

- [2] ☐ Cut your expenses and save more in hopes of meeting your target.
- [0] ☐ Increase your income to allow you to increase your savings.
- [5] ☐ Revise your goal.

INVESTMENT KNOWLEDGE AND EXPERIENCE

Your investment knowledge and experience influence your comfort with different types of investments. An investor who has invested in equities and experienced significant fluctuations in an investment portfolio has some familiarity with the behaviour of the markets and may be better able to assess the level of market fluctuations that are acceptable.

12. You would describe your knowledge about investments as being:

- [0] ☐ Very little knowledge (you are unfamiliar with investing).
- [2] ☐ Some knowledge (you understand the difference between stocks and bonds).
- [4] ☐ Moderate amount of knowledge (you understand that stocks are higher risk than bonds).
- [6] ☐ Good working knowledge (you are familiar with most financial instruments).
- [8] ☐ Extensive knowledge.

13. Your comfort level in making investment decisions can best be described as:

- [0] ☐ Low, you are not very comfortable.
- [4] ☐ Moderate, you are somewhat comfortable.
- [7] ☐ High, you are very comfortable.

14. In the past, you have invested mostly in (choose one):

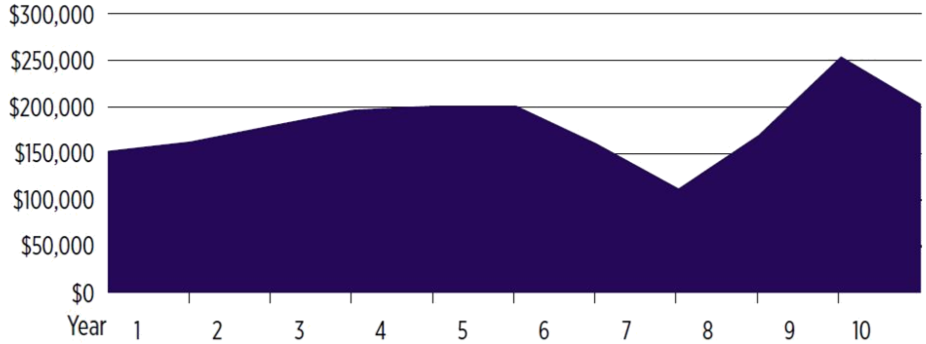
- [0] ☐ Savings accounts and GICs.
- [0] ☐ Mutual funds investing in bonds.
- [2] ☐ Balanced mutual funds.
- [6] ☐ Mutual funds investing in stocks.
- [8] ☐ Individual stocks and bonds.
- [10] ☐ Many different financial instruments, including stocks, bonds, real estate, and higher risk investments (e.g., commodities, options, futures, etc.).

RISK PREFERENCE

Most investors would like to take little risk, but generate large returns from their portfolios. However, in the financial markets there is a trade-off between the risk or volatility in the portfolio and the return associated with the portfolio; the greater the risk, the greater the expected return. Individuals have different levels of risk that they are willing to take and their desired risk level is based on a number of factors such as first-hand experience, fear of not meeting their target, and the discomfort associated with seeing a decline. The psychological impact that your portfolio fluctuations have on you should not be minimized.

15. The chart below shows the returns of a hypothetical investment. Assuming you have owned the investment for ten years, and its performance has been comparable to other investments, what would you do?

- [12] ☐ Buy some more of the investment and take advantage of lower prices.
- [10] ☐ Continue to hold the investment expecting the investment to recover based on its previous track record.
- [6] ☐ Sell some of the investment and keep the rest.
- [0] ☐ Sell all of the investment immediately.



16. Are you willing to tolerate decreases in the value of your account from one month to the next?

- [0] ☐ Not at all.
- [4] ☐ Somewhat.
- [8] ☐ You expect that you will experience decreases in the value of your account.

17. Assuming that your portfolio decreased in value over a one-year period consistent with other investments of its kind in a year when markets are performing poorly, you decide to:

- [0] ☐ Cut your losses, sell your investments and hold cash or purchase GICs with your entire account balance.
- [2] ☐ Hold on to half of your account as it is invested and sell the other half to hold cash or purchase GICs.
- [8] ☐ Watch the portfolio and if performance does not improve in 6 months, you will reassess the situation.
- [12] ☐ Hold the portfolio and make no changes, you understand that markets can have a number of consecutive poorly performing years.
- [14] ☐ Invest additional money in the markets to take advantage of the lower current cost.

18. The bar charts below show the normally expected annual return (dark blue bars) for five hypothetical investment portfolios. The grey bars show the potential maximum 1-year loss for each portfolio, which might occur once every 20 years. Select the portfolio that best represents the combination of desired annual return and maximum downside risk that you are willing to take with your investment account.

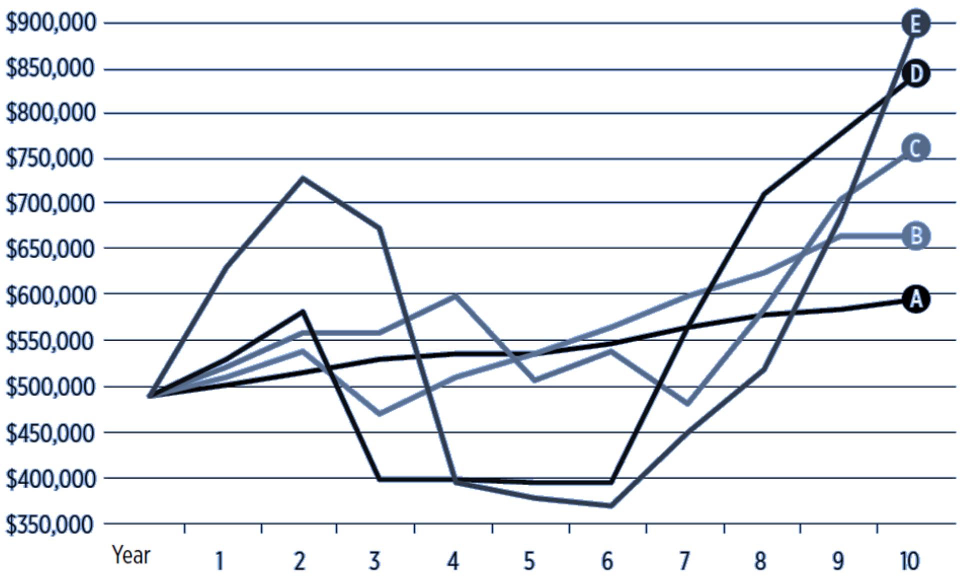
[0] ☐ Portfolio A [6] ☐ Portfolio B [8] ☐ Portfolio C [12] ☐ Portfolio D [16] ☐ Portfolio E

19. You would prefer to have:

- [0] ☐ Minor fluctuations in the value of your account, but consistently earn a lower return on your investments.
- [2] ☐ Some fluctuations in the value of your account, but earn a modest return.
- [12] ☐ Noticeable monthly fluctuations in the value of your account, but earn a higher return.
- [16] ☐ Noticeable daily fluctuations in the value of your account, but earn the highest possible return.

20. The chart below shows the likely returns of a hypothetical investment of $500,000 over a ten-year period. Select the portfolio that best represents the investment that you would prefer to hold, keeping in mind the fluctuations in value associated with each portfolio.

☐ [0] ☐ Portfolio A [4] ☐ Portfolio B [8] ☐ Portfolio C [12] ☐ Portfolio D [14] ☐ Portfolio E



Total Points		If the total score is:	Equity Weighting	Fixed Income Weighting
		0 to 7	30%	70%
		8 to 48	40%	60%
		49 to 98	50%	50%
		99 to 149	60%	40%
		150 to 182	70%	30%
		183 to 211	80%	20%
		212 to 233	90%	10%
		234 to 240	100%	0%

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