



# Discovery Workbook

*Prepared for:*.....

# Preface

**The Discovery Workbook is designed to help us define and prioritize your goals, establish your investment time horizon and to understand your ability to accept risk and loss.**

The information developed from the Discovery Workbook will be carefully analyzed and will establish the foundation for your investment program. Clearly defined guidelines and investment objectives will be outlined in our Proposal and Investment Policy Statement. The time spent completing the Discovery Workbook will contribute significantly to the formal establishment of our relationship.

Experience has shown that to successfully customize an investment strategy, it is essential for us to learn about your investment experience and circumstances. The Discovery Workbook is designed to help us define and prioritize

your goals, establish your investment time horizon and to understand your ability to accept risk and loss.

We ask that you complete the Financial Profile and Investor Information sections as completely as possible and that you give careful consideration to each of your responses to the ten questions appearing in the Investment Objectives and Risk Tolerance section. Your answers to these questions will provide us with insight into your prior investment experience and will enable us to more closely align our recommendations with your goals and preferences.

# Tell Us About Yourself

1. What about your current circumstance is motivating you to seek advice and counsel?

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.....

2. What is important about money to you? Why?

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3. What are your primary financial goals and objectives?

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4. Where would you like to be five years from now?

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5. What areas would you most like to improve upon?

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.....  
.....

**ADDITIONAL CONCERNS OR COMMENTS:**

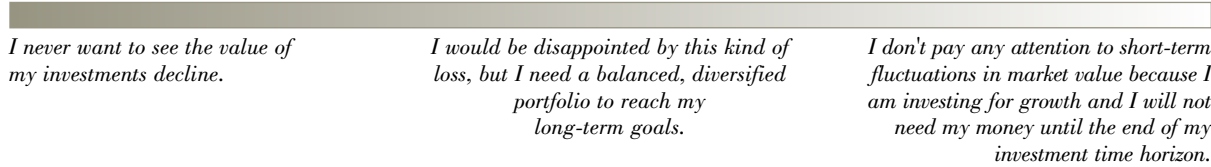
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# Investment Objectives and Risk Tolerance

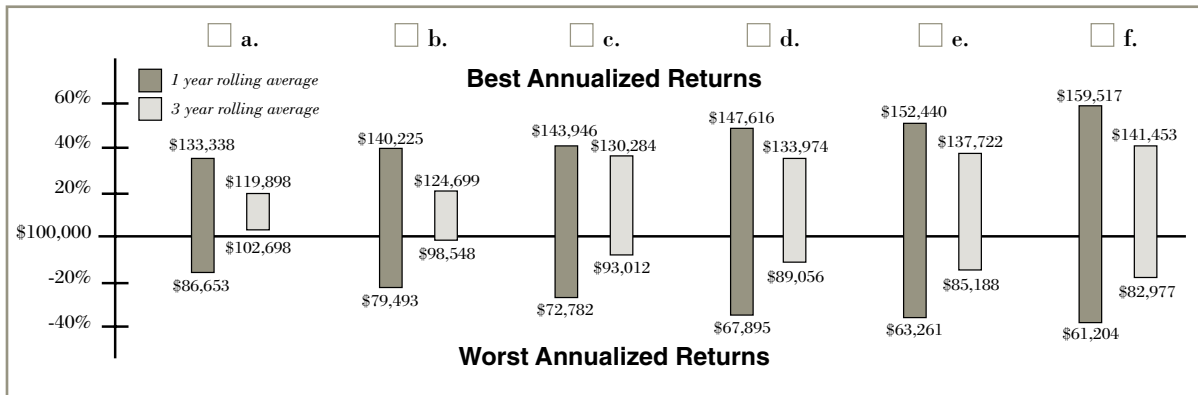
1. Which of the following best describes your primary financial goal for this investment?
  - a. My goal is preserving the real (inflation protected) value of my investment; I am not concerned with out-performing the market.
  - b. My goal is generating current income; I am not concerned with growing the value of my investment.
  - c. My goal is a combination of generating current income and growing the value of my investment.
  - d. My goal is growing the value of my investment, and I am willing to tolerate losses in some years.
  
2. What is the time horizon for your investment?
  - a. 1-3 years: these investments need to remain very liquid.
  - b. 3-5 years: I can only tolerate a small amount of volatility.
  - c. 5-10 years: I can tolerate a moderate amount of volatility.
  - d. Over 10 years: these assets are invested for the long-term and can tolerate short-term fluctuations in value.
  
3. The assets considered for investment are what percentage of your total investable assets?
  - a. More than 75%     b. 50%-75%     c. 25%-50%     d. Less than 25%
  
4. Please choose the phrase that best describes the degree to which you will rely on these assets.
  - a. These investments are critical to my current and future financial well-being; I have few other assets or sources of current and future income.
  - b. While these assets are a significant portion of my wealth; I have other assets and additional sources of current and future income.
  - c. While these investments are an important portion of my wealth; I have considerable additional assets and other significant sources of current and future income.
  - d. This investment is fairly small in relation to my overall wealth and my other sources of current and future income.
  
5. How likely is it you will need to withdraw a significant portion of these assets prior to your planned time horizon to pay for a home, education or some other purpose?
  - a. There is little to no chance.       b. It is possible, but not likely.
  - c. There is a strong chance.       d. I will definitely be withdrawing assets.
  
6. If you do expect to withdraw a significant portion of your account, when is it likely to be?
  - a. Not applicable     b. Within 5 years     c. Within 5 - 10 years     d. More than 10 years from now

7. Assume your investment time horizon is more than ten years. During the second year of investment, your portfolio declines to less than its initial value. Where would you place your reaction along the following scale?

- a.                       b.                       c.                       d.                       e.                       f.



8. Illustrated below is the range of annualized returns from best to worst for both 1 year and 3 year periods, from January 1973 through December 2006, for six hypothetical portfolios in which \$100,000 was invested.<sup>1</sup> Considering the range of returns and the downside risk associated with each portfolio, which portfolio do you feel would be the most appropriate for you?



<sup>1</sup>The returns are rolling 12 month and 36 month averages from January 1973 through December 31, 2006 for six hypothetical multi-asset class portfolios along the risk-return spectrum ranging from conservative to aggressive. These returns do not reflect the performance of actual investment accounts, and are presented for illustrative purposes only. Past performance is not indicative of future results.

9. If you made a long-term investment of \$100,000, how much of a loss in a single year would you withstand before selling?

a. 5%, or \$5,000 on a \$100,000 investment.                       b. 10%, or \$10,000 on a \$100,000 investment.

c. 20%, or \$20,000 on a \$100,000 investment.                       d. I would not sell my investments based on a single year loss.

10. Suppose that, over a two to three year period, your portfolio has lost value. What action would you take?

a. Transfer my investments to another investment manager of similar strategy that I believe is more skilled.

b. Move my investments to a more conservative portfolio to avoid losing more money.

c. Maintain my present disciplined, long-term strategy.

d. Develop a more aggressive strategy to recover my losses.

## INCOME

Current annual income (including bonuses, commissions, dividends, interest, rental income, small business, etc.) \$ .....

Does your income fluctuate on an annual basis (due to commissions, bonuses, etc.)?

Yes If yes, by what amount? \$ .....  No

Do you expect your annual income to change in the next five years beyond a normal cost of living adjustment?

Yes If yes, by what amount? \$ .....  No

## SAVINGS

Outside your company retirement/savings plan, how much did you save last year after taxes? \$ .....

Do you expect to save a similar amount each year for the next few years? If no, how much do you expect to save each year?

Yes  No Amount expected? \$ .....

## TAX INFORMATION

What is your current marginal federal tax rate?  10%  15%  25%  28%  33%  35%

To what state do you pay income tax? .....

What is your current marginal state tax rate? ..... %

**ASSETS**

Category (Self, Spouse, etc.)	.....	.....	.....	<b>Investment Experience</b>
	<i>(When categorizing your Investment Experience refer to legend below)</i>			
<b>Retirement Plans</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Savings, CD, MM</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Corp/ Bonds</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Municipal Bonds</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>U.S. Stocks</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>International Stocks</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Mutual Funds</b>				
<b>U.S. Stocks</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>U.S. Bonds</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>International Stocks</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Other</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Investment Real Estate</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N
<b>Other Investments</b>	\$ .....	\$ .....	\$ .....	<input type="checkbox"/> E <input type="checkbox"/> S <input type="checkbox"/> N

**LIABILITIES**

<b>Mortgage</b>	\$ .....	\$ .....	\$ .....
<b>Credit Cards</b>	\$ .....	\$ .....	\$ .....
<b>Auto Loans</b>	\$ .....	\$ .....	\$ .....
<b>Personal Business Loan</b>	\$ .....	\$ .....	\$ .....
<b>Other</b>	\$ .....	\$ .....	\$ .....

**Legend**

E = Extensive

S = Some

N = None

# Investor/Trustee Information

Name

Date of Birth Social Security Number

Mailing Address

City State Zip

Home Address (required if different from mailing address or if mailing address is a post office box) Home Phone

City State Zip

Email Address Country of Legal Residence

Where would you like us to send your mail?  Home  Business  Alternate (please provide below)

Alternate Address

City State Zip

Tax ID# (Trust Accounts):

## UNEXPIRED GOVERNMENT ID INFORMATION

Type:  Drivers License  Passport  Other Government Issued ID

Name on Unexpired Government ID State/Province of Issue

Date of Issue Date of Expiration Unexpired Government ID Number

## EMPLOYMENT INFORMATION

Employed  Self-Employed  Unemployed  Homemaker  Retired Retirement Age:

Employer Years with Employer Business Phone

Business Address Occupation

City State Zip

Specify any publicly traded company of which you are director, 10% shareholder or policy-making officer:

Specify any securities firm with which you are affiliated:

## BENEFICIARY INFORMATION (IRA Accounts Only)

1. Name ..... Select one:  Primary  Contingent

Gender:  M  F .....  
Date of Birth ..... Social Security Number ..... Relationship ..... Percentage .....

Mailing Address .....

City ..... State ..... Zip .....

2. Name ..... Select one:  Primary  Contingent

Gender:  M  F .....  
Date of Birth ..... Social Security Number ..... Relationship ..... Percentage .....

Mailing Address .....

City ..... State ..... Zip .....

3. Name ..... Select one:  Primary  Contingent

Gender:  M  F .....  
Date of Birth ..... Social Security Number ..... Relationship ..... Percentage .....

Mailing Address .....

City ..... State ..... Zip .....

## DEPENDENTS

1. Name ..... Age .....

2. Name ..... Age .....

3. Name ..... Age .....

## OTHER FINANCIAL ADVISORS

Accountant Name ..... Phone .....

Mailing Address .....

City ..... State ..... Zip .....

Attorney Name ..... Phone .....

Mailing Address .....

City ..... State ..... Zip .....

# Joint Account/Trustee Information

*(if applicable)*

Name

Date of Birth Social Security Number

Mailing Address

City State Zip

Home Address (required if different from mailing address or if mailing address is a post office box) Home Phone

City State Zip

Email Address Country of Legal Residence

Tax ID# (Trust Accounts):

## JOINT ACCOUNT UNEXPIRED GOVERNMENT ID INFORMATION

Type:  Drivers License  Passport  Other Government Issued ID

Name on Unexpired Government ID State/Province of Issue

Date of Issue Date of Expiration Unexpired Government ID Number

## JOINT ACCOUNT EMPLOYMENT INFORMATION

Employed  Self-Employed  Unemployed  Homemaker  Retired Retirement Age: .....

Employer Years with Employer Business Phone

Business Address Occupation

City State Zip

Specify any publicly traded company of which you are director, 10% shareholder or policy-making officer:

Specify any securities firm with which you are affiliated:

Part VI

Do you know of anyone who would also benefit from our services?

1. ....  
Name Phone

2. ....  
Name Phone

**INVESTOR/TRUSTEE SIGNATURES**

.....  
Signature Date

.....  
Signature Date

