



GOALS

- ✓ Build a concrete understanding of the inherent risks in investing.
- ✓ Clarify what your personal tolerance is for investment risk.
- ✓ Identify where your risk tolerance does or doesn't match your potential investment path.

HOW TO PREPARE

You don't have to prepare much for this meeting. We will walk you through a risk assessment tool and ask for your honest, intuitive feedback.

To prepare, you can:

- Brush up on your financial plan to identify what funds you will need and when. We'll review this part of your plan together as well.
- Be realistic. How much could you really lose before you said, "get me out!"
- Be prepared to go with your "gut" reaction as you answer questions. This is a starting point for our discussion, not a final decision.

DURING YOUR SESSION

We provide risk assessment services through the Riskalyze platform because:

- Riskalyze skips the technical jargon, instead giving you real-life scenarios to consider.
- The platform provides us access to global leaders in market research and strategy.
- It provides us with comprehensive tools to measure how well an investment product is diversified and how efficient it is (how well it performs VS its level of risk).
- Access to institutional portfolios through Riskalyze bypasses standard manager and strategist fees of around .35% - saving you money.

Risk assessment questions vary, but typically ask you to choose between two hypothetical options: Would you be willing to risk a loss of \$100k for a chance of gaining \$200k? Or are you the type of person who would prefer a lesser gain of \$50k with little to no risk?



Answering these questions helps us determine how tolerant of risk you are and generates your “risk score”. Think of this score as similar to how fast you’re willing to drive in a car:

- Driving faster can get you farther, but risks collisions that can set you way back.
- Driving slowly helps avoid collisions, but won’t get you as far in the same amount of time.

AFTER THE SESSION

After the session, we compare your natural risk tolerance score with that of your financial plan approach.

We design your financial plan conservatively - at around a risk tolerance score of 35 - ensuring your financial plan goals don’t require a high-risk approach and that they are relatively straightforward to achieve.

Large differences between your natural risk tolerance and the risk tolerance of your plan may require a conversation and some adjustment:

- If your risk score is lower than 35 (more conservative) we update your plan’s financial goals to be less ambitious.
- If your risk score is higher than 35 (more aggressive) we may expand on your plan’s financial goals if we feel it is safe to do so.

We also compare your preferred risk tolerance to your existing investments (if any), to determine whether they are too risky, not aggressive enough, or just right.

- If your existing portfolio is too risky, we’ll let you know, and recommend steps to reduce its volatility.
- Similarly, if it looks like your portfolio could be more growth oriented, we will discuss options to increase your potential returns.