



PATHWAY
FINANCIAL ADVISORS, LLC

INVESTMENT SUITABILITY QUESTIONNAIRE

This questionnaire is designed to help us better understand your financial decision making process and your tolerance for risk. Unless otherwise directed, please give only one answer per question. Feel free to write additional comments next to your answer on any question. If you are a co-client of ours with another party (spouse, partner, co-owner), please complete this questionnaire independently. Do not share your answers with others until they have also completed the questionnaire independently. There are no right or wrong answers, only honest ones.

1. Compared to others, how do you rate your willingness to take financial risks?
 - Extremely low risk taker
 - Very low risk taker
 - Low risk taker
 - Average risk taker
 - Very high risk taker
 - Extremely high risk taker

2. How easily do you adapt when things go wrong financially?
 - Very uneasily
 - Somewhat uneasily
 - Somewhat easily
 - Very easily

3. When you think of the word “risk” in a financial context, which of the following words come to mind first?
 - Danger
 - Uncertainty
 - Opportunity
 - Thrill

4. Have you ever invested a large sum in a risky investment mainly for the “thrill” of seeing whether it went up or down in value?
 - No
 - Yes, once
 - Yes, more than once, but infrequently
 - Yes, frequently

5. Assume that employment income is your primary source of income. If you had to choose between more job security with a small pay raise, and less job security with a big pay raise, which would you pick?
 - More security, small raise
 - Less security, big raise.

6. When faced with a major financial decision, are you more concerned about the possible losses or the possible gains?
 - Possible losses
 - Possible gains

7. Imagine you were in a job where you could choose to be paid salary, commission, or a mix of both. Which would you pick? Assume that potential earnings under the commission structure could be significantly higher or lower than the salary earnings.
 - All salary
 - Mix of salary and commission
 - All commission

8. What degree of risk have you taken with your financial decisions in the past?
 - Very small
 - Small
 - Medium
 - Large
 - Very Large

9. In the last two years, how have your personal investments changed?
 - Mostly toward lower risk
 - Somewhat toward lower risk
 - No or minimal changes
 - Somewhat toward higher risk
 - Mostly toward higher risk

10. What degree of risk are you prepared to take with your financial decisions now and going forward?
 - Very small
 - Small
 - Medium
 - Large
 - Very Large

11. Have you ever borrowed money to make an investment (other than your home)? This includes buying stocks on margin, or taking a loan to start or buy into a business. If yes, provide detail.
 - No
 - Yes

12. Investments can go up or down in value, and experts often say you should be prepared to weather a downturn. By how much could the total value of all your investments go down before you would begin to feel uncomfortable?
 - Any fall would make me feel uncomfortable
 - 10%
 - 20%
 - 33%
 - 50%
 - More than 50%

13. With certain investments, such as cash and term deposits, the money value of the investment (the principal) is fixed. However, inflation will cause the purchasing power of this money value to decrease.
With other investment types, such as shares and property, the money value (the principal) is not fixed. It will vary in the short term and may even fall below your initial investment. However over the long term, the money value should certainly increase by more than the rate of inflation.
With this in mind, which is more important to you – that the money value (the principal) does not fall, or that it retains its purchasing power?
- Much more important that the money value (the principal) does not fall.
 - Somewhat more important that the money value (the principal) does not fall.
 - Somewhat more important that the money value (the principal) retains its purchasing power.
 - Much more important that the money value (the principal) retains its purchasing power.
14. When making an investment, return and risk usually go hand-in-hand. Investments which produce above-average long-term returns are usually of above-average risk. With this in mind, how much of the funds you have available to invest would you be willing to place in investments where both returns and risks are expected to be above average?
- None
 - 0%-20%
 - 20%-40%
 - 40%-60%
 - 60%-80%
 - 80%-100%
15. What is the average annual rate of return you would expect to earn from your investment portfolio over the next ten years?
- Unsure
 - 0%-2%
 - 2%-4%
 - 4%-6%
 - 6%-8%
 - 8%-10%
 - 10%-12%
 - 12%-14%
 - 14%-16%
 - 16%+
16. If you were to purchase a new house and finance it with a mortgage, would you prefer a fixed rate loan or an adjustable rate loan?
- Definitely fixed rate loan
 - Maybe fixed, maybe adjustable
 - Definitely adjustable rate loan

17. What financial publications do you read at least once per month?
- Wall Street Journal
 - Money Magazine
 - Smart Money Magazine
 - Kiplinger's Magazine
 - Barron's Magazine
 - Other
18. Compared to your peers, would you consider your knowledge of investment products and securities markets to be:
- Much more knowledge than peers
 - Somewhat more knowledge than peers
 - Similar knowledge than peers
 - Somewhat less knowledge than peers
 - Much less knowledge than peers
19. What sources of information do you currently value for getting financial advice? (You may select more than one answer on this question).
- Family – older generation (parents, grandparents, aunts, uncles)
 - Family – current generation (siblings, cousins)
 - Family – younger generation (children, nieces, nephews)
 - Co-worker(s)
 - Friend(s)
 - Mainstream media
 - Financial media
 - Accountant
 - Insurance Representative
 - Other _____
 - I do not currently receive financial advice that I value
20. Do you feel that you could accurately describe the differences between a stock and a bond, and the relative risks of each?
- Yes, could give a mostly complete description
 - Yes, could give somewhat complete description
 - No, would not be comfortable giving an accurate description
21. Which best describes your situation regarding investment topics?
- I very much enjoy having financial/investment discussions, and have them whenever I can.
 - I don't mind having financial/investment discussions, but I do not seek them out.
 - I only have financial/investment discussions when I absolutely have to.
22. How do you currently budget your expenditures?
- I have a very detailed budget that I follow closely each month
 - I have a budget that I loosely follow throughout the year
 - I have a budget, but I don't follow it
 - I don't have a written budget, but I don't spend what I don't have
 - I spend when and what I want to

23. How do you currently rate your saving/spending habits?
- I am a saver
 - I like to save more than spend
 - I like to spend more than save
 - I like to spend

Client Name: _____

Date Completed: _____