Investor Questionnaire

This questionnaire is designed to help you choose an appropriate asset allocation strategy for each of your investment goals. Answer these questions with a specific goal in mind—retirement, for example. Because you will likely have a number of investment goals, you should fill out the questionnaire more than once, with a different goal in mind each time. Our Investor Questionnaire is not designed for goals that would require you to spend all of your money for the goal in two years or less. Savings for short-term objectives should be invested in stable investments—primarily cash investments like money market funds.

For each of your investment goals, answer the questions below, then add up your points and record the number at the bottom of page 2. Now match the total points with one of the asset allocations suggested on page 3. Once you have decided on an asset allocation for each goal, you can begin to consider specific mutual funds.

1a. I plan to begin taking withdrawals from this portfolio in . . .
   a. Less than 1 year (0 points)
   b. 1 to 2 years (1 point)
   c. 3 to 5 years (4 points)
   d. 6 to 10 years (7 points)
   e. 11 to 15 years (12 points)
   f. More than 15 years (17 points)

   Points: □□□□□

1b. I plan to spend the money in this portfolio over a period of . . .
   a. 2 years or less (0 points)
   b. 3 to 5 years (1 point)
   c. 6 to 10 years (3 points)
   d. 11 to 15 years (5 points)
   e. More than 15 years (8 points)

   Points: □□□□□

2. When making a long-term investment, I plan to hold the investment for . . .
   a. 1 to 2 years (0 points)
   b. 3 to 4 years (1 point)
   c. 5 to 6 years (3 points)
   d. 7 to 8 years (5 points)
   e. 9 or more years (7 points)

   Points: □□□□□

3. In October 1987, stocks fell more than 20% in one day. If I owned an investment that fell by 20% over a short period, I would . . . (If you owned stocks in October 1987, select the answer that corresponds to your actual behavior)
   a. Sell all of the remaining investment (1 point)
   b. Sell a portion of the remaining investment (3 points)
   c. Hold the investment and sell nothing (5 points)
   d. Buy more of the investment (6 points)

   Points: □□□□□

4. Generally, I prefer investments with little or no fluctuation in value, and I am willing to accept the lower returns associated with these investments.
   a. I strongly agree (0 points)
   b. I agree (1 point)
   c. I somewhat agree (3 points)
   d. I disagree (5 points)
   e. I strongly disagree (6 points)

   Points: □□□□□

5. When the market goes down, I tend to sell some of my riskier assets and put the money in safer assets.
   a. I strongly agree (1 point)
   b. I agree (2 points)
   c. I somewhat agree (3 points)
   d. I disagree (4 points)
   e. I strongly disagree (5 points)

   Points: □□□□□

6. I would invest in a mutual fund based solely on a brief conversation with a friend, coworker, or relative.
   a. I strongly agree (1 point)
   b. I agree (2 points)
   c. I somewhat agree (3 points)
   d. I disagree (4 points)
   e. I strongly disagree (5 points)

   Points: □□□□□

7. During the first half of 1994, some bond investments fell more than 10%. If I owned an investment that fell by 10% over a short period of time, I would . . . (If you owned bonds during the first half of 1994, select the answer that corresponds to your actual behavior)
   a. Sell all of the remaining investment (1 point)
   b. Sell a portion of the remaining investment (3 points)
   c. Hold the investment and sell nothing (5 points)
   d. Buy more of the investment (6 points)

   Points: □□□□□
8. The chart below shows the greatest one-year loss and the highest one-year gain on three different hypothetical investments of $10,000. Given the potential gain or loss in any one year, where would you invest your money?

a. Fund A (1 point)
b. Fund B (3 points)
c. Fund C (5 points)

Points: [ ] [ ] [ ]

9. My current and future income sources (such as salary, Social Security, pension plans) are . . .

a. Very unstable (1 point)
b. Unstable (2 points)
c. Somewhat stable (3 points)
d. Stable (4 points)
e. Very stable (5 points)

Points: [ ] [ ] [ ]

10. When it comes to investing in stock or bond mutual funds (or individual stocks or bonds), I would describe myself as a/an . . .

a. Very inexperienced investor (1 point)
b. Somewhat inexperienced investor (2 points)
c. Somewhat experienced investor (3 points)
d. Experienced investor (4 points)
e. Very experienced investor (5 points)

Points: [ ] [ ] [ ]

Add up your points, and record the total point score for each goal below.

Asset allocation strategy for your goals

Based on your total point score for each goal, select a suggested mix of asset classes from the table on page 3. The asset mix indicated by each total point score is only a suggestion, and you still might reasonably select a different mix, one with slightly higher or lower risk. Record your choices in the spaces below since you’ll need to refer to them when you select specific funds.

<table>
<thead>
<tr>
<th>Goal</th>
<th>Total Point Score</th>
<th>Asset Mix</th>
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<tbody>
<tr>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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Choose an asset allocation strategy according to your score*

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</thead>
<tbody>
<tr>
<td>69–75 points</td>
<td>100%</td>
<td>11.3%</td>
<td>-43.1%</td>
<td>20 of 74</td>
</tr>
<tr>
<td>59–68 points</td>
<td>20% 80%</td>
<td>10.5%</td>
<td>-34.9%</td>
<td>19 of 74</td>
</tr>
<tr>
<td>51–58 points</td>
<td>40% 60%</td>
<td>9.5%</td>
<td>-26.6%</td>
<td>17 of 74</td>
</tr>
<tr>
<td>40–50 points</td>
<td>50% 50%</td>
<td>8.9%</td>
<td>-22.5%</td>
<td>16 of 74</td>
</tr>
<tr>
<td>32–39 points</td>
<td>60% 40%</td>
<td>8.3%</td>
<td>-18.4%</td>
<td>16 of 74</td>
</tr>
<tr>
<td>23–31 points</td>
<td>20% 80%</td>
<td>7.0%</td>
<td>-10.1%</td>
<td>13 of 74</td>
</tr>
<tr>
<td>11–22 points</td>
<td>10% 10% 80%</td>
<td>6.1%</td>
<td>-6.7%</td>
<td>10 of 74</td>
</tr>
</tbody>
</table>

*These are sample portfolio allocations only. Depending on your tolerance for risk or your individual circumstances, you may wish to choose an allocation that is more conservative or more aggressive than the model suggested by your score. Keep in mind that these allocations are for longer-term financial goals. You may very well hold cash investments for shorter-term goals and emergencies.

**Cash investments are represented by U.S. Treasury bills, bonds by long-term U.S. corporate bonds, and stocks by the returns of the S&P 500 Index.

Note: The returns shown include the reinvestment of income dividend and capital gains distributions; they do not reflect the effects of investment expenses and taxes.

Source: The Vanguard Group.