WELLS FARGO Institutional Retirement & Trust

Risk tolerance quiz

Choosing the right investment mix for your retirement savings is an important step toward building a comfortable financial future. The risk tolerance quiz can provide a good starting point. The results will provide you with a sample asset allocation that takes into consideration your tolerance for investment risk as well as your time frame to retirement.

Understand asset allocation

Your asset allocation plan is the "big picture" — the framework in which you'll make your investment decisions. It's the way you divide your contributions and account balance among the three basic investment categories available in your retirement plan: stock, bond, and cash alternative funds. It's based on the idea that investment categories can perform differently under the same market conditions. For example, when bonds are performing well, stocks may be down and vice versa. By dividing your contributions and account balance among the three basic investment categories, you may lower your investment risk and increase the chance of meeting your retirement goals.

Determine your risk profile

Circle the number that most closely fits your personal situation. Then follow the directions at the bottom of the page.

	1–Disagree strongly				**5–Agree strongly**
To obtain above-average returns on my investments, I am willing to accept above-average risk.	**1**	**2**	**3**	**4**	**5**
If an investment loses money over the course of a year, I can easily resist the temptation to sell it.	**1**	**2**	**3**	**4**	**5**
I am comfortable investing in the stock market.	**1**	**2**	**3**	**4**	**5**
When I put aside money for retirement, I do not plan on accessing it before I retire.	**1**	**2**	**3**	**4**	**5**
I consider myself knowledgeable about economic issues and personal investing.	**1**	**2**	**3**	**4**	**5**

Add the numbers you circled: ___________. Compare your total score to the investor types below.

Understand your investment type

Conservative (5 to 11)	**Moderate (12 to 18)**	**Aggressive (19 to 25)**
Most likely you are a conservative investor. Maintaining a fairly stable account balance and having a clear idea of what your investments are likely to earn is more important to you than pursuing higher return potential.	Most likely you are a moderate investor. You are willing to accept some fluctuation in the value of your investments in order to pursue higher return potential.	Most likely you are an aggressive investor. You have the ability to weather short-term volatility in your investments. You are willing to assume a higher degree of fluctuation in the value of your investments to pursue growth opportunities.

Know your time horizon

Your time horizon is the number of years you have before retirement.

_____ your expected retirement age

_____ minus your current age

_____ **equals your time horizon**

Sample asset allocation portfolios

These examples provide ideas on how to set up a portfolio in line with your time horizon and investor type. They are not intended as recommendations. Use these sample asset allocation portfolios as a starting point for building your own investment portfolio.

Sample asset allocation portfolios

Time Horizon	Conservative	Moderate	Aggressive
0 to 5 years until retirement	32% / 48% / 20%	28% / 42% / 30%	24% / 36% / 40%
6 to 15 years until retirement	28% / 42% / 30%	20% / 30% / 50%	16% / 24% / 60%
16 to 25 years until retirement	20% / 30% / 50%	12% / 18% / 70%	8% / 12% / 80%
26 years or more until retirement	12% / 18% / 70%	8% / 12% / 80%	4% / 6% / 90%

■ Stable value/money market funds ■ Bonds ■ Stocks

Make your investment selections

Now that you've built your asset allocation, you can make individual fund selections within your plan. Below are a few points to keep in mind.

- **You have options** — Within each investment category (stocks, bonds, and cash alternatives), your retirement plan will likely offer a number of different funds to choose from. For example, within the stock category, your plan may offer different funds based on the size of the companies they invest in (referred to as capitalization or "cap" - small cap, mid cap and large cap), geographic region (U.S. or international), and growth or value style of investing.
- **Diversify across different types of investments** — There isn't one right choice for where to invest your money. At different points in time, one type of fund may do better than another. The key is to diversify, or spread out, your investments across a range of different types of funds within each investment category to help smooth out the risk and return over time.
- **Asset allocation options** — If your plan offers an asset allocation option (such as a target date fund or model portfolio fund), keep in mind that the asset allocation and diversification are built in. You may only need to select one fund or portfolio for your account.

Get started today!

Review your retirement plan's investment choices and build your own investment mix at **wellsfargo.com**. Sign on to your account and select your retirement plan on the **Account Summary** page. Then, choose the **Actions & Investments** tab from the top navigation and select **Manage My Investments**. You can also call the Retirement Service Center at **1-800-SAVE-123 (1-800-728-3123)**. Representatives are available to help you Monday through Friday, 7:00 a.m. to 11:00 p.m. Eastern Time.

Investments in Retirement Plans:

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

Diversification and asset allocation do not assure or guarantee better performance and cannot eliminate the risk of investment losses.

The Risk Tolerance Quiz is intended to provide you with a general indication of your current investment personality and does not constitute investment advice. There may be other factors specific to your situation that are not considered. Your investment risk tolerance may change over time, and you should revisit your situation from time to time to determine if a selected portfolio is still appropriate for your situation.

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