

Client Risk Assessment Questionnaire

Merrell Brothers Investment Management



Full Name:		DOB:		Today's Date:	/	/	
Co-Applicant:		DOB:					
Home and Cell Phone Number:							
Email Address:							
Mailing Address:							

- 1 Total annual after tax income:
- 2 What type of accounts do you want to open with Merrell Brothers, LLC:
 - Rollover 401(k)
 - Roth IRA
 - Traditional IRA
 - Individual Account
 - Joint Account
 - Other:
- 3 Which portfolio are you interested in:
 - An Exchange Traded Funds (ETFs) Portfolio
 - An Individual Stock Portfolio
 - A combination of the two
- 4 Total value of your cash and liquid investments:
- 5 How much money do you want to invest with Merrell Brothers, LLC:
- 6 Probability you are going to add money to your account within the next five years:
- 7 How much and how often will be adding funds to the account:
- 8 How many years until you retire:
- 9 How much yearly income will you need in retirement:
- 10 How much are your average monthly living expenses:
- 11 How many estimated years until you begin withdrawing money from your account(s):
- 12 Probability you will need to access your account within the next five years:

FORM CONTINUES ►

Client Risk Assessment Questionnaire (continued)

Merrell Brothers Investment Management



13 List sources and annual amount of income in retirement:

- Social Security
- Pension
- Part Time Income
- Rental Income
- Other:

14 What is your total debt? List your debts including interest rate, term, variable/fixed details:

15 How much money do you have in an emergency fund:

16 What do you care more about:

- Maximizing gains
- Minimizing losses
- Both

17 What is your reaction if the market sells off and your portfolio declines by 10-15%:

- Sell your investments
- Hold tight
- Buy more investments

18 How concerned are you about losing any of your initial investment, even if only on a short term basis:

- Extremely concerned
- Very concerned
- Concerned
- Slightly concerned
- Not concerned

19 Other details we should know:

FORM CONTINUES ►

Client Risk Assessment Questionnaire (continued)

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20 Which portfolio(s) describes your investment strategy:

Individual Stock Portfolio: The Individual Stock Portfolio investment objective is to create a portfolio of undervalued individual stock securities that contain high quality companies that achieve meaningful long-term growth. This portfolio's goal is to focus on high quality businesses that we understand. For the Individual Stock Portfolio the Merrell Brothers team concentrates on our best individual stock ideas that are trading at the right price. The Merrell Brothers team tries to find businesses that maintain a durable competitive advantage, high return on equity ("ROE"), minimal or no debt, high cash equivalent balances, low capital expenditures, and high free cash flows. If we cannot find any investments discounted enough to buy, then portfolios may hold cash until we find an investment. Depending on your situation, the Individual Stock Portfolio is typically concentrated in between 5 to 25 individual stocks. The Individual Stock Portfolio may also be more concentrated in specific sectors of the economy, if a sector-wide discount opportunity is available. A concentrated individual stock portfolio potentially will have higher risk and higher volatility, but we view the Individual Stock Portfolio as an excellent candidate for appreciation. Because of increased volatility and risk, we manage your Individual Stock Portfolio with a long-term approach to investing, which we believe is a minimum of five (5) to ten (10) years and preferably longer.

Exchange Traded Funds (ETF) portfolio:

Aggressive ETF Portfolio: The Aggressive ETF Portfolio is designed for the long term investor and potentially may earn significant investment returns. The Merrell Brothers team recommends an investment period of at least ten years to smooth market fluctuations and volatility. The Aggressive ETF Portfolio will initially be composed of 50% United States based Small, Mid, and Large capitalization ETFs, 40% International and Emerging Markets ETFs, and 10% in Real Estate Investment Trusts (REIT) ETFs. The Aggressive ETF Portfolio inherently has more risk than any of the other ETF portfolios.

Growth ETF Portfolio: The Growth ETF Portfolio is designed for the long term investor and potentially may earn significant investment returns. The Merrell Brothers team recommends an investment period of at least ten years to smooth market fluctuations and volatility. The Growth ETF Portfolio will initially be composed of 39% United States based Small, Mid, and Large capitalization ETFs, 33% International and Emerging markets ETFs, 20% in a Fixed Income ETF, and the remaining 8% in Real Estate Investment Trusts (REIT) ETFs. The Growth ETF Portfolio has more risk than the Balanced, Conservative, and Capital Preservation ETF Portfolios.

Balanced ETF Portfolio: The Balanced ETF Portfolio is designed to provide the client with a mixture of growth balanced with fixed income. The portfolio will be composed of 45% Fixed Income ETFs, and the remaining allocation will be a blend of United States based Small, Mid, and Large capitalization ETFs, International and Emerging markets ETFs, and Real Estate Investment Trusts (REIT) ETFs. The Merrell Brothers team recommends an investing time horizon of at least five years, preferable longer to smooth any market volatility. The Balanced ETF Portfolio includes risks to the investor.

Conservative ETF Portfolio: The Conservative ETF Portfolio is designed to invest in 60% Fixed Income ETFs. The other allocation includes a blend of United States based Small, Mid, and Large capitalization ETFs, International and Emerging markets ETFs, and Real Estate Investment Trusts (REIT) ETFs. The Merrell Brothers team recommends an investing time horizon of at least five years, preferable longer to smooth any market volatility. The Conservative ETF Portfolio has risks associated with the investment.

Capital Preservation ETF Portfolio: The Capital Preservation Portfolio allocates 75% of the investment in an assortment of Fixed Income ETFs, in the form of government and corporate bond ETFs. A small portion of the portfolio is invested in a blend of United States based Mid, and Large capitalization ETFs, International ETFs, and Real Estate Investment Trusts (REIT) ETFs. The portfolio is designed for investors that want to reduce their investing risk and potential loss of principal. The Merrell Brothers team can reduce the equity ETFs if the client wants more capital preservation and less volatility. This portfolio includes risk because of the Stock ETFs and the fact that the Fixed Income ETFs can lose value when interest rates rise. The Merrell Brothers team recommends an investment time period of at least four years.