

## CFM Model Choice Form – Investment Policy Statement

**Account Title:** \_\_\_\_\_ **Approx Value: \$** \_\_\_\_\_ **Account Type (Taxable or IRA)** \_\_\_\_\_

This document identifies Risk Tolerance, and describes the investment strategy and asset allocation of your investment account. You have discussed your level of acceptable risk and investment time horizon with Canty Financial Management (CFM) in the financial planning process. We have collected financial data, discussed your financial goals, and completed a Risk Questionnaire. You have established an investment time horizon and considered the risk and return issues important to investing.

**1) Do you have any constraints on this investment account or any anticipated Deposits or Withdrawals over the next one year period?**

For example, do you have the need for reserves or liquidity to fund short-term goals? If yes, please summarize, or attach an explanation:

\_\_\_\_\_.

**2) Please select one of the following CFM Model Portfolios that most closely meets your circumstances.**

☐ **Aggressive:** An investor with a time horizon over 10 years, who has other savings, and sees no reason to have near term access to their investment principal. Investor has low concern for volatility. (approximately 100% Stocks / 0% Bonds)

☐ **Semi-Aggressive:** An investor with a time horizon over 10 years, who has other savings, and sees no reason to have near term access to investment principal. The investor realizes the returns may trail the stock market, the value in the account will fluctuate significantly, and there is a risk to losing investment principal. (approximately 80% Stocks / 20% Bonds)

☐ **Moderate:** An investor with a 6 to 10 year time horizon, who may have other savings and does not see a short term need for their investment principal. The investor's goal is to take moderate investment risk, with more emphasis on stocks than bonds. (approximately 60% Stocks / 40% Bonds)

☐ **Conservative:** An investor with a 3 to 5 year investment time horizon. A person who may be retiring in the next few years, or has a near term need for their investment principal. The investor wants more emphasis on the income that bonds provide, and also desires modest profits with equities. (approximately 40% Stocks / 60% Bonds & Cash Equivalents)

☐ **Preservation:** An investor with a 1 to 3 year time horizon, and who wants a portfolio dominated by bonds, and a smaller amount of stocks. Income and safety are the primary emphasis with bonds, and the investor desires to grow with caution, having around 20% in equities. (approximately 20% Stocks / 80% Bonds)

☐ **Short term Bonds, CDs, and/or FDIC Money Market Only:** Safer investments with a short time horizon. There are no stocks contained in this portfolio, and investment risk is lower than any other model. (0% Stocks / 100% Bonds & Cash Equivalents) *specify* \_\_\_\_\_

**3) Signature Confirmation:** This Investment Policy Statement should be reviewed at least annually. By signing this form you acknowledge that we have discussed the investment time horizon and the investment risk issues with you. You are responsible for notifying CFM of any changes in your desired level of risk so we can make a change to your Model Portfolio selection. This form does not make or imply any guarantee to the attainment of your investment objective. If you have any custom holdings that are not a part of a CFM Model portfolio it can skew the overall level of risk in the investment account. Please let us know if you have any questions, and make us aware of any changes in your financial circumstances. Clients with over \$500,00 of Assets Under Management will have their Tax Preparation fee waived.

**Client Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Advisor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

You may fax this Investment Policy Statement to CFM at 518-885-2835, or e-mail it to us at [bill@cantyfinancial.com](mailto:bill@cantyfinancial.com). If you choose to fax or email this form you must confirm that we received it by calling us at 518-885-3230.