

## MINISTRY FUND QUESTIONNAIRE INVESTMENT OPTIONS

**This questionnaire will assess your investment risk tolerance and help you discover what kind of Allocation Model would be the best choice for you.**

**Please choose the answer you associate with most:**

1. The time period used in evaluating portfolio performance has a significant impact on the probability of realizing a stated return objective. What do you believe is the effective time horizon of this portfolio?
  - A. More than five Years
  - B. Three to five Years
  - C. One Year or Less
  - D. Other: \_\_\_\_\_
  
2. On an annual basis, estimate how much will be withdrawn from the portfolio:
  - A. 100% of the assets in the portfolio each year
  - B. At least 50% of the assets in the portfolio each year
  - C. At least 10% of the assets in the portfolio each year
  - D. Not more than 5% of the assets in the portfolio each year
  - E. Other: \_\_\_\_\_
  
3. Investment risk means different things to different people. For the following statement, check the reaction that best reflects the perceived risk tolerance for this portfolio. A high degree of fluctuation in portfolio value over a market cycle (three to five years) is acceptable.
  - A. Avoid this at all cost
  - B. This is permissible under certain circumstances
  - C. This is acceptable to achieve my expected returns
  
4. What is the amount of decline in portfolio value that is tolerable in any single (one) year?
  - A. None
  - B. 0 to 10% loss
  - C. 10 to 15% loss
  
5. How important is maximizing investment return as compared to minimizing the fluctuation (both up and down) in portfolio value?
  - A. Not important
  - B. Somewhat important
  - C. Very important
  
6. Regarding portfolio objectives, which statement best describes the objective of this portfolio:
  - A. Grow the assets as much as possible for future benefit.
  - B. Earn a reasonable rate of interest, but forgo some return to keep a moderate level of variability in value.
  - C. Preserve the principal of this portfolio, and do not subject the portfolio to loss.
  
7. How often do you expect contributions of additional assets to come into the Portfolio?
  - A. Annually
  - B. Semi-annually
  - C. Quarterly
  - D. Rarely, if ever
  - E. Other \_\_\_\_\_

**Add up your points for each answer chosen:**

Question 1: A = 4pt  
B = 2pt  
C = 1pt  
D = 2pt

Question 2: A = 1pt  
B = 2pt  
C = 3pt  
D = 4pt  
E = 2pt

Question 3: A = 1pt  
B = 2pt  
C = 4pt

Question 4: A = 1pt  
B = 3pt  
C = 4pt

Question 5: A = 1pt  
B = 3pt  
C = 4pt

Question 6: A = 4pt  
B = 3pt  
C = 1pt

Question 7: No scoring, information for MB Foundation only

Total Score: \_\_\_\_\_

**If you scored:**

6pts – 8pts: **The best option for you is an Investment Certificate**

A cash investment seeking preservation of capital while maintaining a stable fund value may serve you best. In this case, the ministry Fund is not the best option and we would recommend investing in a Certificate with MB Loan Fund.

9pts – 12pts: **The best option for you is Allocation Model 1 – Conservative (Low Risk)**

This Model seeks a conservative level of income and stability. The Allocation consists primarily of U.S. Treasuries, Government agency securities, high quality corporate credits and MB Loan Fund. This Model is ideal for organizations with low risk tolerance and short to medium term liquidity needs (1-5 years). Annual Expected Return is 2-4%.

13pts – 18pts: **The best option for you is Allocation Model 2 – Balanced (Moderate Risk)**

The Balanced Allocation Model seeks to balance current income with moderate long-term capital growth. This Allocation Model is suited for organizations with moderate risk tolerance and intermediate to long term investment objectives (5+ years). Annual Expected Return is 5-7%.

19pts or more: **The best option for you is Allocation Model 3 – Growth (Moderate to High Risk)**

The Growth option seeks long-term capital appreciation as its primary goal. This Model is for organizations with a long-term objective (5+ years) and a higher degree of risk tolerance. Annual Expected Return is 8-10%.