

PRISM WEALTH-BUILDING PROCESS



Recognizing Your Allocation




Goal: _____

Risk Tolerance for Goal: _____

The goal you are attempting to achieve and your corresponding tolerance for risk for that goal should help you identify the appropriate allocation to use.

To help you determine what that allocation is, the AAI Asset Allocation Models are presented below. These models have long served as guidelines that individual investors can use to help construct appropriate portfolios.

You can select one of these models or, alternatively, enter in your preferred allocation manually in the form below.

 Aggressive Investor 90% Diversified Stock	 Moderate Investor 60% Diversified Stock	 Conservative Investor 40% Diversified Stock
Time Horizon	Time Horizon	Time Horizon
20+ Years: Long Investment Horizon <i>For investors who are very risk tolerant</i>	15+ Years: Mid-Term Investment Horizon <i>For investors who can tolerate some risk</i>	10+ Years: Short-Term Investment Horizon <i>For investors who are not risk tolerant</i>
Characteristics	Characteristics	Characteristics
Growth: Substantial Income: Very Low Risk: Substantial Year-to-Year Volatility of Portfolio Value 8% Average Annual Growth in Value -37% Bad Year	Growth: Moderate Income: Low Risk: Moderate Year-to-Year Volatility of Portfolio Value 7% Average Annual Growth in Value -21% Bad Year	Growth: Low Income: Moderate Risk: Low Year-to-Year Volatility of Portfolio Value 6% Average Annual Growth in Value -12% Bad Year
Allocations	Allocations	Allocations
10% Fixed Income 90% Diversified Stock	40% Fixed Income 60% Diversified Stock	60% Fixed Income 40% Diversified Stock

Select

Select

Select

Your Customized Portfolio Allocation

Equities	Portfolio Allocation
Large-Cap Stocks	_____
Mid-Cap Stocks	_____
Small-Cap Stocks	_____
International Stocks	_____
Balanced/Target-Date Fund Portion	_____
Other:	_____
Total Equity Allocation	_____ %

Fixed-Income Allocation	
Short-Term	_____
Intermediate-Term	_____
Long-Term	_____
Balanced/Target-Date Fund Portion	_____
Other:	_____
Total Fixed-Income Allocation	_____ %

Other Assets	
_____	_____
_____	_____
_____	_____
Total Other Assets	_____ %

Cash Equivalents	
Total Cash Equivalents	_____ %

Buffer Assets	Dollar Value
Cash	_____
Reverse Mortgage	_____
Whole Life Insurance	_____

Rules for Using and Replenishing Buffer Assets
