



# BIC Foundation

## BRETHREN IN CHRIST FOUNDATION COMMON TRUST FUND - INVESTOR QUESTIONNAIRE

### How long will your funds be invested?

1. We plan to begin taking lump-sum withdrawals (other than an annual income) from this portfolio in...
  - a. Less than 1 year (0 points)
  - b. 1 to 2 years (1 point)
  - c. 3 to 5 years (4 points)
  - d. 6 to 10 years (7 points)
  - e. 11 to 15 years (12 points)
  - f. More than 15 years (17 points)
  
2. We plan to spend the money in this portfolio over a period of...
  - a. 2 years or less (0 points)
  - b. 3 to 5 years (1 point)
  - c. 6 to 10 years (3 points)
  - d. 11 to 15 years (5 points)
  - e. More than 15 years (8 points)
  
3. When making a long-term investment, we plan to hold the investment for...
  - a. 1 to 2 years (0 points)
  - b. 3 to 4 years (1 point)
  - c. 5 to 6 years (3 points)
  - d. 7 to 8 years (5 points)
  - e. 9 or more years (7 points)

### What is your risk tolerance?

4. In October 1987, stocks fell more than 20% in one day. If you owned an investment that fell by 20% over a short period, you would...
  - a. Sell all of the remaining investment (1 point)
  - b. Sell a portion of the remaining investment (3 points)
  - c. Hold the investment and sell nothing (5 points)
  - d. Buy more of the investment (6 points)
  
5. Generally, we prefer investments with little or no fluctuation in value, and we are willing to accept the lower returns associated with these investments.
  - a. We strongly agree (0 points)
  - b. We agree (1 point)
  - c. We somewhat agree (3 points)
  - d. We disagree (5 points)
  - e. We strongly disagree (6 points)



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6. When the market goes down, our tendency is to sell some of the riskier assets and put the money in a safer place.
- We strongly agree (1 point)
  - We agree (2 points)
  - We somewhat agree (3 points)
  - We disagree (4 points)
  - We strongly disagree (5 points)
7. We would invest our money in a mutual fund based solely on a brief conversation with a peer, coworker, relative or friend.
- We strongly agree (1 point)
  - We agree (2 points)
  - We somewhat agree (3 points)
  - We disagree (4 points)
  - We strongly disagree (5 points)
8. During the first half of 1994, some bond investments fell more than 10%. If I owned an investment that fell by 10% over a short period of time, I would...
- Sell all of the remaining investment (1 point)
  - Sell a portion of the remaining investment (3 points)
  - Hold the investment and sell nothing (5 points)
  - Buy more of the investment (6 points)
9. The chart below shows the greatest one-year loss and the highest one-year gain on three different investments of \$10,000. Given the potential gain or loss in any one year, where would you invest your money?
- |         |                        |                        |
|---------|------------------------|------------------------|
| Fund A: | worst loss = \$(164)   | highest gain = \$593   |
| Fund B: | worst loss = \$(1,020) | highest gain = \$1,921 |
| Fund C: | worst loss = \$(3,639) | highest gain = \$4,229 |
10. Our current and future sources of non-investment income (offerings, donations etc.) are...
- Very unstable (1 point)
  - Unstable (2 points)
  - Somewhat stable (3 points)
  - Stable (4 points)
  - Very stable (5 points)



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11. When it comes to investing in stock or bond mutual funds, or individual stocks and bonds, our committee would describe ourselves as a/an....

- a. Very inexperienced investor (1 point)
- b. Somewhat inexperienced investor (2 points)
- c. Somewhat experienced investor (3 points)
- d. Experienced investor (4 points)
- e. Very experienced investor (5 points)

**Your total point score:**

<b>Point Score</b>	<b>Suggested Model</b>	<b>Average Annual Return (1926-2015)</b>	<b>Worst Annual Loss (1926-2015)</b>	<b>Number of Loss Years (1926-2015)</b>
>50	Growth and Income	8.7%	6.7%	21 of 90
>35 and <51	Balanced	-26.6%	-10.1%	17 of 90
>20 and <36	Conservative	8.3%	3.4%*	12 of 90
<21	Money Market	-22.5%	n/a	n/a

\*With inflation of 3.0% over this same 90-year period the Money Market option provides a real return of .4%.

<b>Point Score</b>	<b>Suggested Model</b>	<b>Average Annual Return (1926-2015)</b>	<b>Worst Annual Loss (1926-2015)</b>	<b>Number of Loss Years (1926-2015)</b>
N/A (1)	Fixed	5.4%	-8.1%	14 of 90

(1) The Investor Questionnaire does not incorporate a "Fixed Income Model." The Fixed Income Common Trust Fund was constructed by the Foundation in response to investors' requests. The risk/reward characteristics of the Fixed Income Common Trust Fund would place it somewhere between the Conservative Model and the Money Market Model.