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**COLOR OF MONEY REPORT**

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**Analysis for:**

*John Smith*

*Prepared on February 11, 2020*

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**Presented by:**

*Financial Professional*





# COLOR OF MONEY REPORT

To arrive at your Color of Money goal score, you answered the following questions. Your answers are marked below. Let's review your responses to confirm that they are still correct and properly reflect your current financial situation and goals.

## 1. My primary financial goal is:

- Preserving my assets
- Leaving a legacy
- Maximizing my income
- Growing my assets

## 3. On the road to retirement, I am:

- Retired, I made it!
- Less than five years away
- Five to 10 years away
- More than 10 years away

## 5. Including all sources, my current household income is:

- Under \$50,000
- \$50,000 to \$99,999
- \$100,000 to \$249,999
- \$250,000 to \$499,999
- \$500,000 or more

## 7. Social Security, a pension and some other forms of retirement cash flow are fairly stable income sources. I consider my retirement income sources to be:

- I don't have retirement income sources
- Unstable
- Somewhat stable
- Very stable

## 9. Historically, inflation averages 2-3 percent per year. Relative to inflation, I would like my investments to:

- Keep pace with inflation with minimal risk
- Moderately outpace inflation with some long-term risk
- Significantly outpace inflation with moderate long-term risk
- Maximize performance with substantial long-term risk

## 11. If my investment lost 20 percent of its value, I would:

- Immediately sell the investment
- Change to a more conservative investment option
- Stay the course
- Add to the investment while its value is down

## 2. When it comes to investments and financial decisions, I consider myself:

- Not very knowledgeable
- Somewhat knowledgeable
- Knowledgeable
- An expert

## 4. My attitude toward investing is:

- A small loss would concern me
- I understand investing has some risks but I am conservative
- I am growth oriented and I understand my investments may go up or down
- I am aggressive and I want to grow my assets. If my investment loses value, I might invest more

## 6. During retirement, I will rely on investment income:

- Heavily
- Moderately
- Somewhat
- Not at all

## 8. Not including my primary residence, my net worth is:

- Under \$249,999
- \$250,000 to \$499,999
- \$500,000 to \$999,999
- \$1,000,000 to \$1,999,999
- \$2,000,000 or more

## 10. If I invested \$250,000 for five years, I would be most comfortable with the following best and worst case scenario:

- Worst: \$270,000 | Best: \$300,000
- Worst: \$250,000 | Best: \$330,000
- Worst: \$230,000 | Best: \$375,000
- Worst: \$200,000 | Best: \$450,000



# Your Color of Money Risk Analysis Goal Score

Your score of 51 indicates that approximately 51% of your assets should be allocated to growth investments that may provide a higher rate of return but are exposed to market risk. The remaining 49% should be allocated to safer assets which provide less exposure to the stock market. This score gives you a general idea of where you should be on your retirement journey.

YOUR  
**51**  
SCORE

<p><b>Conservative Investor</b> <b>1 - 20</b></p> <p>You should generally have 1-20 percent of your assets allocated to growth assets, but the majority should be allocated to assets with less risk. You are risk averse, and your main focus is on principal preservation.</p>	<p><b>Conservative Growth Investor</b> <b>21 - 40</b></p> <p>You should generally have 21-40 percent of your assets allocated to growth assets. The remainder should be allocated to assets with less risk. You are somewhat conservative and do not want to have more than 40 percent of your assets exposed to risk.</p>	<p><b>Balanced Investor</b> <b>41 - 60</b></p> <p>You should generally have 41-60 percent of your assets allocated to growth assets. The remainder should be allocated to assets with less risk. Moderate growth and a balanced allocation are both important to your long-term success. You understand some risk is necessary in order to potentially get a return greater than inflation.</p>	<p><b>Moderate Growth Investor</b> <b>61 - 80</b></p> <p>You should generally have 61-80 percent of your assets allocated to growth assets. The remainder should be allocated to assets with less risk. You are more growth oriented, but you are not comfortable with 100 percent of your assets being exposed to risk - maintaining a small portion of assets with less risk is an important part of your allocation.</p>	<p><b>Growth Investor</b> <b>81 - 100</b></p> <p>You should generally have 81-100 percent of your assets allocated to growth assets. As a growth investor, your primary goal is growing your principal. You understand assets exposed to risk go up and down in value, but you are comfortable heavily investing in them because of the long-term growth potential they may provide.</p>
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## Color of Money

The Color of Money uses a simple, but effective method to organize your assets, and provide the information you need to bring your amount of market risk closer to your goal.

### **Green Money**

These assets are designed to provide principal protection and provide an opportunity for conservative returns. Your growth potential is less than Red or Yellow Money. Examples of Green Money may include government bonds, CDs, fixed and indexed annuities.

### **Yellow Money**

These assets are professionally managed for a specific purpose. Yellow money can be managed toward your individual investment objectives and risk tolerance such as: growth, income, or principal preservation. The growth potential is greater than Green Money but Yellow Money is subject to market risk and potential loss of principal.

### **Red Money**

Red Money assets carry varying levels of risk and are generally not being managed for a specific purpose. Red Money may be subject to market fluctuation and the potential loss of principal. Examples of Red Money may include company stock, REITs, and Variable Annuities.



# Current Asset Allocation

TOTAL ASSETS  
**\$1,000,000.00**

GREEN MONEY  
**\$100,000.00**

RED MONEY  
**\$900,000.00**

YELLOW MONEY  
**\$0.00**

This is an inventory of your current assets, based on the information you provided. Each asset has been assigned a color: green, yellow, or red.

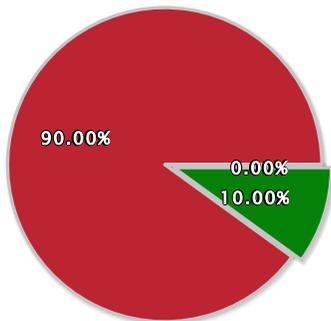
Green Money	Amount
Savings Bonds & Treasuries	\$0.00
Money Market	\$0.00
Fixed Indexed Annuities	\$0.00
Fixed Annuities	\$0.00
Fixed and Fixed Indexed Life Insurance	\$0.00
CDs	\$0.00
Savings and Checking	\$100,000.00
Pension Lump Sum	\$0.00
Other Investment Accounts	\$0.00

Red/Yellow Money	Amount
Mutual Funds	\$500,000.00
Exchange Traded Funds (ETF)	\$0.00
Individual Stocks	\$200,000.00
Individual Bonds	\$0.00
Alternative Investments	\$0.00
Real Estate Investment Trusts (REIT)	\$0.00
Variable Annuities	\$200,000.00
Variable Life Insurance	\$0.00
Other Investment Accounts	\$0.00

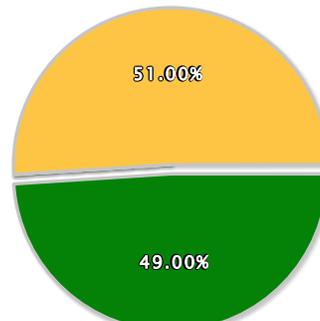


## Color of Money Score

Current		Goal
<b>90</b>	<b>Color of Money Score</b>	<b>51</b>
\$100,000.00	Green Money	\$490,000.00
\$900,000.00	Red Money	\$0.00
\$0.00	Yellow Money	\$510,000.00



- 10.00% in Green Money (\$100,000)
- 90.00% in Red Money (\$900,000)
- 0.00% in Yellow Money (\$0)



- 49.00% in Green Money (\$490,000)
- 0% in Red Money (\$0)
- 51.00% in Yellow Money (\$510,000)

You're overexposed to at-risk assets by

**\$390,000.00**

You may also consider discussing professional money management strategies with your investment advisor.

**\$510,000.00**



## Important Disclosures

### Important Disclosures Regarding this Report

This report is conceptual in nature and all interest rates and performance numbers used are hypothetical and do not guarantee performance. Past performance is no guarantee of future performance. Diversification and asset allocation does not assure or guarantee better performance and cannot eliminate the risk of loss.

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