

Investment Policy Statement

prepared for
Brian Johnson

WELCOME

Dear Brian Johnson,

This Investment Policy Statement is to establish a clear understanding between Brian Johnson, (the Client) and Larry Shumbres of Totum Risk with regards to the investment goals, risk profile, and policies applicable to the Client's investment portfolio. It provides a detailed look at the recommended asset allocations and money managers selected to assist you with meeting financial goals.

Allocation percentages are subject to change without notice based on an attempt to keep the allocation in line with the investment objective. THIS REPORT IS FOR ILLUSTRATION PURPOSES ONLY, IN ONE-ON-ONE PRESENTATIONS WITH YOUR FINANCIAL ADVISOR.

Your portfolio was designed based upon the following key factors:

- The investment objective for each account
- Your willingness/ability to tolerate risk in order to achieve those objectives
- How much money you plan to invest
- How long you plan to keep your money invested
- Additional information provided by you

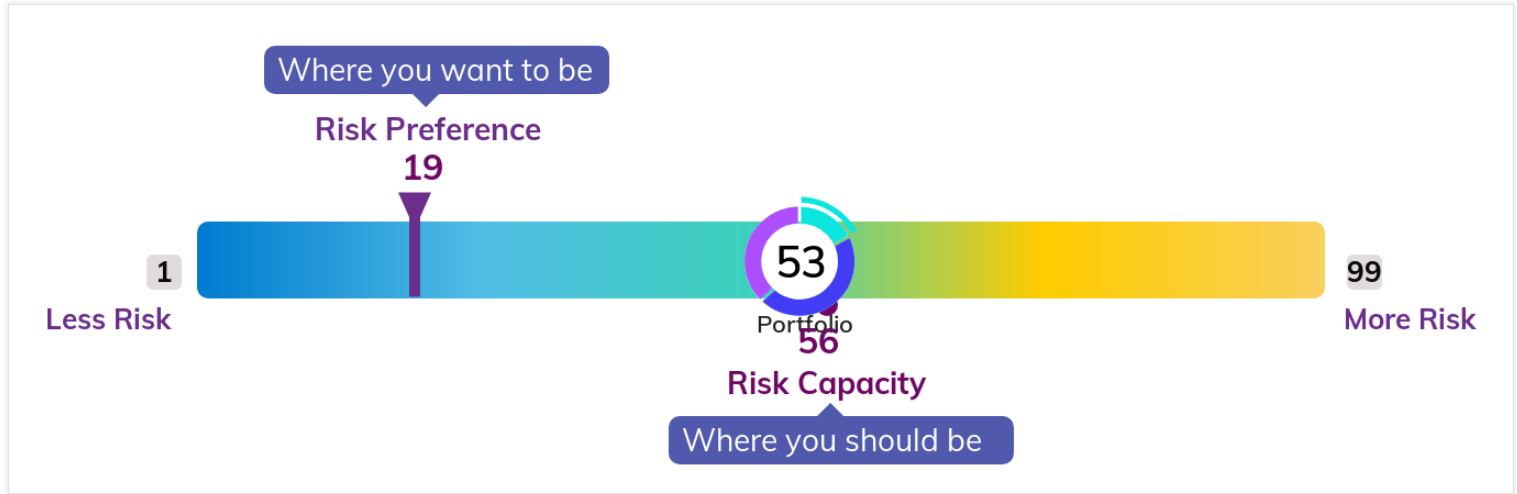
Please note that performance comparisons are based on historical data and may not be reflective of future results.

This Statement will

- Establish reasonable objectives and guidelines for the Client's investment as indicated to the Advisor
- Present a comprehensive Client's Risk Profile, including both Risk Capacity and Risk Tolerance, as well as the risk in the investment portfolio(s).
- Summarize the Client's answers from the Risk Questionnaire that serve as the inputs for the Client Risk Profile
- Summarize the Client's existing investment portfolio
- Present the recommended investment portfolio that the Advisor has selected for this investment of the Client.
- Present the asset allocation, risk and performance simulation of the recommended investment portfolio.

RISK PROFILE

Your current Portfolio Risk Score is 53 out of 99 and inline with your Risk Band. Your Risk Band is the area between your Risk Preference score and your Risk Capacity score. Any portfolio that falls between your risk capacity score and risk preference score is considered to be suitable.



Our risk tolerance scale is 1-99 with a score of 1 being extremely risk-adverse and a score of 99 would indicate you are an aggressive risk-taker. Your Risk Preference score is 19, which represents the perceived amount of risk you are willing to take at this time. However, your Risk Capacity score is a 56, which means you are actually able to take on additional risk given your current life situation.

Risk Profile Logs

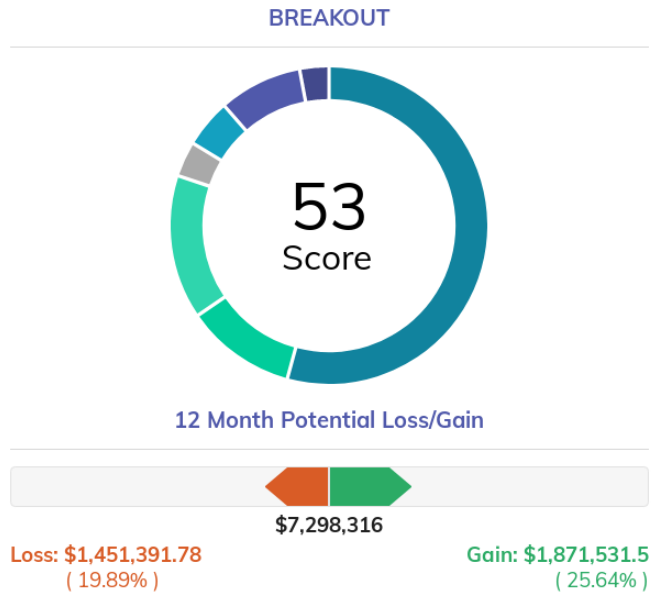
- 03/05/2020, 16:48:31 43 ← 56 Financial Plan ... must take on less risk based on more information we found in Brian's financial plan.

QUESTION AND ANSWERS

Your answers for the risk questionnaire completed on Apr 06, 2020 are as follows:

- 1 Your age and income serve as the baseline for how much loss you can potentially withstand
I am **36** years old. My annual pretax household income is **\$300,000**
- 2 How many people are in your immediate household (including yourself)
3, Including 1 dependents
- 3 Let's see if investment volatility could impact your lifestyle.
My annual household expenses are about **\$100,000**, and total net worth (all assets and liabilities) is approximately **\$1,500,000**
- 4 Investment portfolio size and time horizon are key factors for your appropriate investment risk
My total investable assets are **\$500,000** and my time horizon to invest is **Until retirement age 63**.
- 5 Where do you live?
I live in zipcode **98115**. (Yes) I own property here.
- 6 Which industry sector(s) are related to your household income?
Financials/consumer services and retail, Industrials/Technology
- 7 How consistent are your household's earnings over the next 12 months?
Pay will likely grow with time, but anything can happen
- 8 Is everyone within your household in good health?
Yes.
- 9 For this investment, what is the maximum loss you will withstand in order to have potential gains later? Please use the sliding chart below to select a percentage and dollar amount.
\$30,000
- 10 Investment Gain Preference
For your **\$500,000** investment, which of the following hypothetical outcomes would you prefer? **A guaranteed gain of \$30,000**
- 11 Investment Loss Preference
For your **\$500,000** investment, which of the following hypothetical outcomes would you prefer? **A sure loss of \$30,000**
- 12 What are your key financial goals? (Select up to three)
- 13 How often do you use technology to check your investments?
never

Summary All Accounts



HOLDINGS

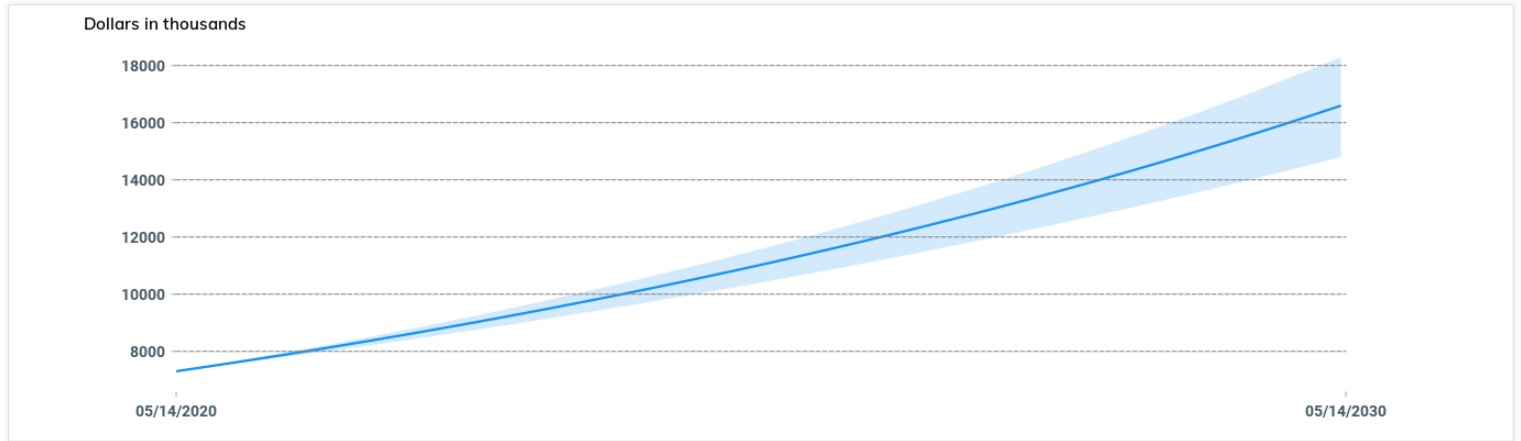
Symbol	Description	Risk Score	Value	Allocation (%)
>	US Equity		\$4,015,837	55.02%
>	Cash		\$813,918	11.15%
>	US Fixed Income		\$1,068,681	14.64%
>	Unclassified		\$246,649	3.38%
>	OEMF-Open Ended Fund		\$344,434	4.72%
>	IntL and Global Equity		\$608,817	8.34%
>	Alternative		\$200,000	2.74%
Total:			\$7,298,316	100%

An investor should carefully consider investment objectives, risks, charges and expenses before investing in an exchange traded fund (ETF) or mutual fund. This information and more complete information, including potential risks, is included in each ETF or mutual fund prospectus, which can be obtained from the investment firm, or contacting your investment professional directly. Read prospectus carefully before investing. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Mutual funds and ETFs may have investment objectives other than matching a particular market index and are subject to risks similar to those of stocks. Because of ongoing market volatility, fund performance may be subject to substantial short term changes. There is no certainty that any investment or strategy will be profitable or successful in achieving investment objectives. PROVIDED FOR ILLUSTRATION PURPOSES ONLY. Refer to the Disclosures pages for more information.

Return Simulation Chart

● All Accounts

10 YEARS FORWARD



The calculations or other information generated regarding the likelihood of various outcomes are hypothetical, do not reflect actual investment results and are not guarantees of future results.

The Monte Carlo analysis illustrates the potential results of your portfolio using up to 1,000 randomly generated market returns and volatility called trial runs. In each trial run, the mean and standard deviation of a selected benchmark index for each portfolio is used for a randomly chosen year.

The trial runs produce a range of potential results and are one way of illustrating and evaluating the probability of your plans results.

The Monte Carlo Chart shows the results of running 1,000 simulations with randomized data. The chart shows the spread of the results of all the tests.

Lower line 10% of the tests fell here.

Solid Middle line 50% of the tests fell here.

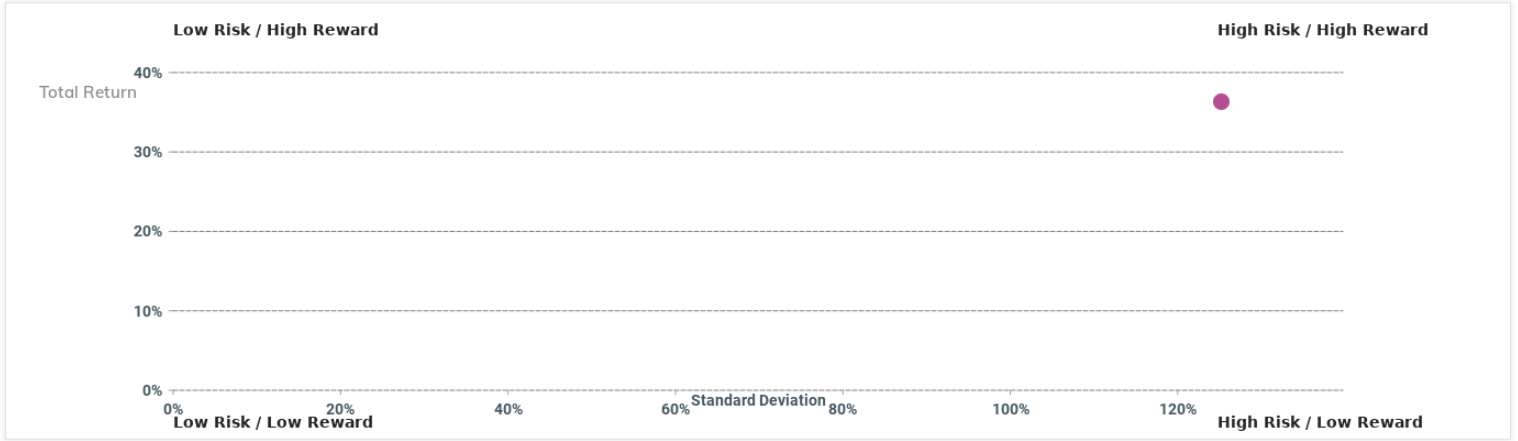
Top line 90% of the tests fell here.

Important: The projections or the information generated by this Monte Carlo simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time. Other investments not considered might have characteristics similar or superior to those analyzed in this report.

Scatter Plot Chart

● All Accounts

5 YEARS



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Standard Deviation is a statistical measure of the volatility of an investment, an asset class, or a portfolio. It measures the degree by which an actual return might vary from the average return, or mean. Typically, the higher the standard deviation, the higher the potential risk of the investment, asset class, or portfolio.

Return vs Risk - the scatter chart displays the risk/return characteristics of each current and proposed investment as well as the combined current portfolio and Proposed Portfolio compared to a benchmark, based on the selected time period and standard deviation. The horizontal axis represents the risk values and the vertical axis represents the return value.

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. Investment return and principal value will fluctuate with market conditions, and you may have a gain or loss when you sell your securities.

Any COMMENTS

Duties and Responsibilities

Example of Duties and Responsibilities from an advisory firm. This section is blank and the advisory firm adds their own text.

The Advisor is responsible for assisting the Client in making appropriate investment decisions based on the risk profile and investment goals of the Client. The Advisor will be available to meet with the Client and periodically review the portfolio to ensure it remains suitable given on any changes in the client's goals, risk profile, or in the portfolio.

By signing this Investment Policy Statement, the client and the financial advisor both acknowledge that while it is not a contract, we have reviewed it together, and that the client approves and adopts this policy statement as a guideline for their investments.

Prepared by :

Larry Shumbres

Totum Risk

larry@totumrisk.com

Prepared for :

Brian Johnson

Signature

Date

Signature

Date

Disclosures

The information, data, analysis and opinions contained in this report are confidential; may include or be derived from information provided by you which cannot be verified; may not be copied or redistributed; does not constitute investment advice; are provided solely for informational purposes and do not constitute an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. Except as otherwise provided by law, [Firm Name] shall not be responsible for any trading decisions, damages or other losses resulting from the use of this information, data, analysis or opinion. This report is supplemental sales literature. If applicable, it must be accompanied by a prospectus or equivalent and disclosure statement.

Risk tolerance is an investor's general ability to withstand risk inherent in investing. This risk tolerance questionnaire is designed to determine your risk tolerance and is judged based on several factors, which may include: time horizon, long-term goals and expectations, and short-term risk attitudes. The adviser uses their own experience and subjective evaluation of your answers to help determine your risk tolerance. There is no guarantee that the risk assessment questionnaire will accurately assess your tolerance to risk. In addition, although the advisor may have directly or indirectly used the results of this questionnaire to determine a suggested asset allocation, there is no guarantee that the asset mix appropriately reflects your ability to withstand investment risk.

Neither Asset Allocation nor Diversification guarantee a profit or protect against a loss in a declining market. They are methods used to help manage investment risk.

The return assumptions are not reflective of any specific product, and do not include any fees or expenses that may be incurred by investing in specific products. The actual returns of a specific product may be more or less than the returns used in these illustrations. Financial forecasts, rates of return, risk, inflation, and other assumptions may be used as the basis for illustrations. They should not be considered a guarantee of future performance or a guarantee of achieving overall financial objectives. Past performance is not a guarantee or a predictor of future results of either the indices or any particular investment. **IMPORTANT:** The projections or other information generated regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Results may vary with each use and over time.

Portfolio Descriptions

Totum Risk Scale ranges from 1-99 with the following category breakdowns.

Defensive (1-10)

Conservative (11-20) (Barclays Aggregate Bond Index AGG scores a 12-14)

Moderately Conservative (21-30)

Moderate (31-40)

Moderate/Growth (41-50)

Growth (51-70) (S&P 500 scores a 68 to a 72)

Focus Growth (71-90)

Aggressive (91-99)