FORUM
Financial Management, LP
A Registered Investment Advisor

Forum Portfolio
Investment Policy Statement

Prepared for

John Smith and Mary Smith

Sunday February 12, 2017

60% Equities / 40% Fixed Income

Growth Portfolio

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I. Purpose

This Investment Policy Statement (IPS) has been prepared for John Smith and Mary Smith (Client). The purpose of this IPS is to assist the Client and Forum Financial Management, LP (Advisor or Forum), in effectively supervising, monitoring, and evaluating the investment of the Client's assets (Portfolio). The investment of the Portfolio is defined in the various sections of the IPS by:

A. Documenting the Client's attitudes, expectations, objectives, and guidelines for the investment of all assets in the Portfolio.

B. Setting forth an investment structure for managing the Client's Portfolio. This structure includes various asset classes, investment management styles, asset allocations and acceptable ranges thereof, which, in total, are expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.

C. Complying with all applicable fiduciary and due diligence requirements and with all applicable state and federal laws, rules, and regulations.

II. Statement of Objectives

This IPS describes the prudent investment process that the Advisor deems appropriate for the Client's situation based on the information the Client has provided, which is assumed to be accurate and complete. If any of the assumptions used are based upon incorrect or inconsistent information provided to the Advisor, then the investment plan developed for the Client may be inadequate to meet the Client's stated financial goals. The Client desires to maximize spending rates with prudent levels of risk given the needs and financial goals that have been communicated to Forum.

The following Feasibility of Objectives provides a framework for Forum and the Client to thoughtfully consider the investment risk appropriate for the client and the investment return required to provide a sustainable spending over the Client's lifetime. The projections and illustrations regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results.

Information that you provided about your assets, financial goals, and personal situation are key assumptions for the calculations and projections in this Report. If any of the assumptions are incorrect, you should notify your financial advisor. Even small changes in assumptions can have a substantial impact on the results shown in this Report. The information provided by you should be reviewed periodically and updated when either the information or your circumstances change.

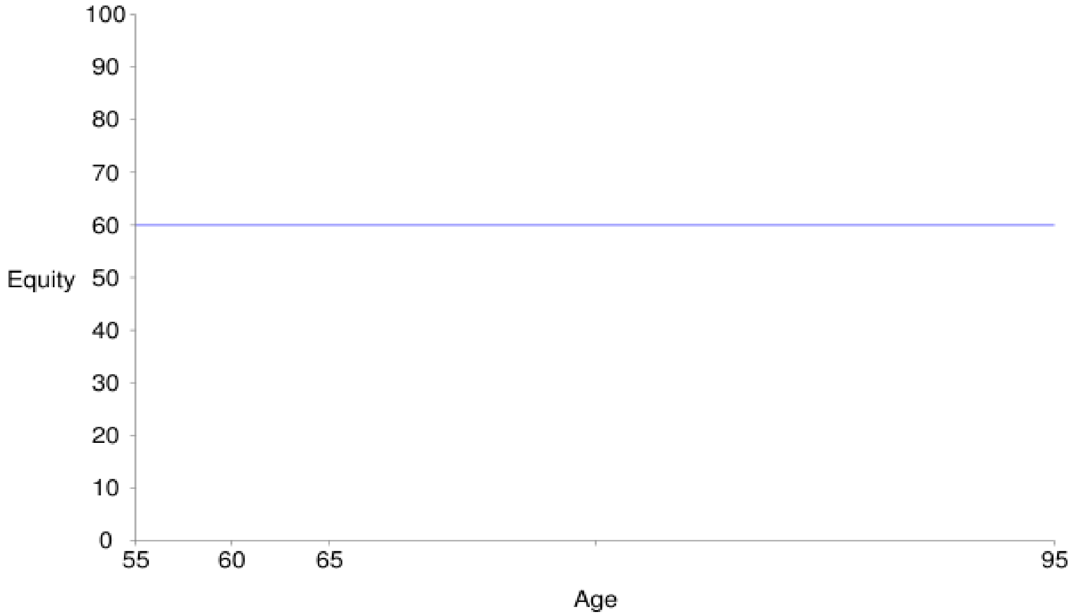
A. Feasibility of Objectives

The Sustainable Spending is the annual spending rate in retirement at which 75% of all simulated outcomes have money left at the end of the 41 year period between today and when the Client is 95 years old. For couples, we run the analysis for when the younger Client turns 95 years old. All ages listed herein refer to the age of the younger individual. If any Outside Income or Non-Recurring Expenses are included below then the Sustainable Spending is inclusive of these cash flows (i.e. a positive cash flow will increase the Sustainable Spending and any negative cash flows decrease the Sustainable Spending).

Current Portfolio Name	GNP 60 Growth
Total to be Managed	$1,000,000
Total not Managed	$0
Total not Managed Return	0.0%
Annual Savings Until Retirement*	$0
Target Retirement Age	65
Sustainable Spending in Retirement**	$66,165
Expected Value of Portfolio at Retirement	$1,587,313

Equity Allocation Over Time

The Client and Forum agree that the following allocation to equity over time is prudent given the Client's risk tolerance and spending objectives.



Other Assumptions:

A tax rate of 20.0% was applied to 50.0% of the investment portfolio.

*An inflation rate of 2.3% was applied to the Annual Savings Until Retirement (beginning age 65).

**An inflation rate of 2.3% was applied to the Sustainable Spending in Retirement (beginning age 65).

B. Considering the Outcomes

The Sustainable Spending is provided to help the Client evaluate the feasibility of their current spending and investment plan. Before investing the Client should also understand two fundamental concepts:

1. **Inflation risk**. Everyone has experienced inflation in our lives. The prices at the pump go up and fruits and vegetables get more expensive each year. The magnitude of this effect on retirement savings is even stronger. Retirees, like all other investors, will have to spend almost twice as many dollars in twenty years to buy the same things they buy today, but at the same time they pull dollars out of the investment portfolio each year, reducing how much those investments can grow.
2. **Investment risk**. Stock markets rapidly price new information, but this efficiency can sometimes result in dramatic fluctuations in the value of equity investments. For many investors, the risk of being in the market is still less than the risk of being out of it because they need a return on their investments that outpaces inflation. The result is that we must accept a measured amount of uncertainty as equity investors. Ultimately, our success depends on three major factors that the Client can control: how much the Client has saved, how much the Client will spend, and how much risk the Client is willing to accept.

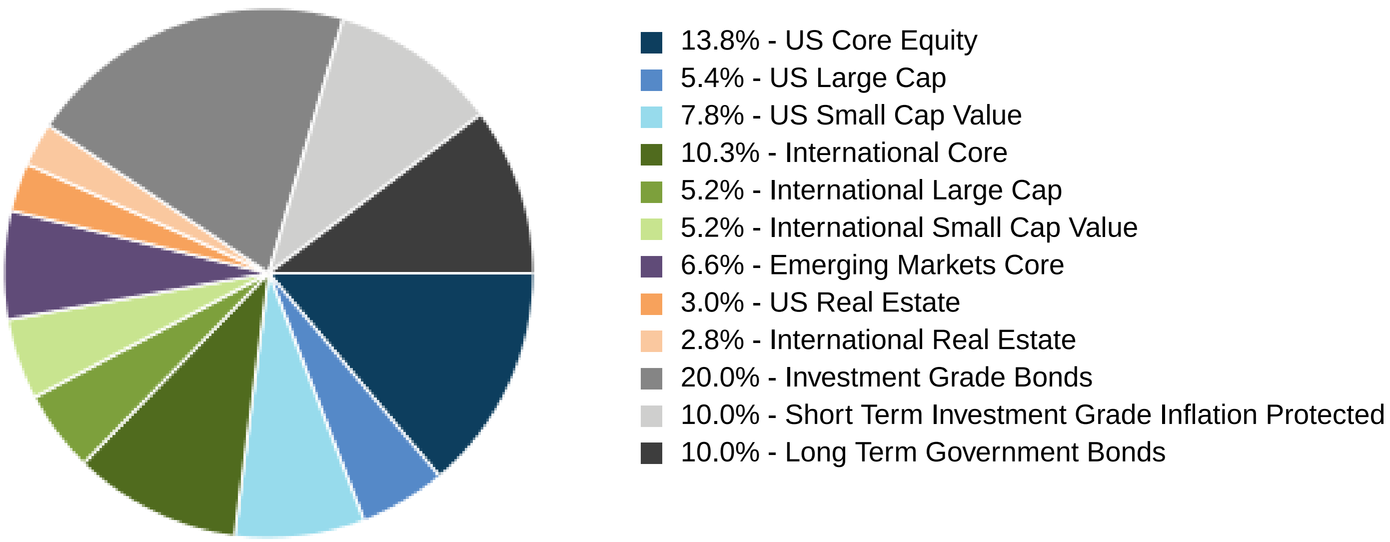
Forum makes no guarantee of the Sustainable Spending rate. The probability of success indicated herein represents a range of possible outcomes, some of which would require the Client to adjust their spending rate down in order to avoid running out of money before their death.

The Sustainable Spending rate will not be achievable if the Client's actual spending exceeds this amount or if equity and/or bond returns over the Client's lifetime are below historical averages.

III. Asset Class Guidelines

Asset Classes: 60.0% Equity and 40% Bonds

Asset Allocation: Proposed Portfolio



Each asset class is considered to be represented by different funds. However, for asset allocation and rebalancing purposes, standard equity funds and equivalent tax-managed funds will be considered to be in the same asset class. In the event that a fund is unavailable for investment, the Client authorizes substitution of another fund in order to implement the asset allocation of the Recommended Portfolio.

Held away accounts are investment accounts not directly supervised and managed by Forum. The accounts include but are not limited to 401(k), 403(b) and 529 accounts. These accounts may not have access to all asset classes or may have limited investment options available to the client. In these cases, Forum will recommend a comparable asset class or fund.

Due to trading costs and other considerations, if the Client invests less than $250,000 with Forum, all asset classes in the Recommended Portfolio may be replaced with a blend of the DFA Global Equity, DFA Global 60/40, and DFA Global 25/75 to match the equity percentage of the Recommended Portfolio.

IV. Fees

Investment Advisory Fees will be based on a percentage of the Aggregate Account Balance of the Client's Portfolio on the last day of the calendar quarter as per the Forum Advisory Agreement.

The fees will be deducted each calendar quarter in arrears from the Client's account. For the purposes of the performance and graphical illustrations in Section VIII, an annual fee of 1.0% is used. Refer to the Forum Form ADV Part 2 for additional fees charged by firms other than Forum for which the Client will be responsible (for example, Custodian fees or fund expenses charged by the mutual fund company).

V. Graphical Representations

Important Disclosures:

The Client understands these graphs are provided for illustrative and educational purposes only, and that no guarantees can be given about future performance. These illustrations should not be construed as offering such a guarantee. The Client also acknowledges the following disclosures about these graphs:

- To generate the hypothetical returns of the Portfolio illustrated, the Advisor uses the total returns of various indices (as described in the Appendix). The indices, in many instances, are simulated data developed by DFA or academics, which may have had different security holdings than the DFA funds. The resulting simulated returns were compiled after the end of the periods shown, and do not represent trading in actual accounts or decisions made by the Advisor during the periods described. The performance results do not reflect the impact that material economic and market factors might have had on the decision-making process the Client or the Advisor if the assets had been actually invested during that period. Simulated performance also differs from actual performance because it is achieved through the retroactive application of a strategy designed with the benefit of hindsight. Only actual fund data should be used to make an investment decision. Indices used are unmanaged and cannot be invested in directly by investors.
- Hypothetical Portfolio returns are net of, that is they take into account, the advisory fee (which is disclosed herein and in the Forum Form ADV Part 2) and fund expenses. However, Portfolio returns do not consider any fees charged to the account by the Custodian.
- Forum reserves the right to rebalance between domestic and international funds at any time in response to changes in global capital market weights.
- The Client's Portfolio may invest in either passively and/or actively managed securities. The actual weightings of these investments can and will vary. As a result, actual returns and volatility characteristics will be higher or lower than those presented. The principal value of a Client's mutual fund shares, and thus the value of the account, when redeemed, may be more or less than their cost.
- The Client should also carefully consider the information about the mutual funds mentioned in this proposal, including investment objectives, risks, and charges and expenses, which can be found in the funds' prospectuses. Copies of the prospectuses are available, without charge, from the Custodian.

See the Appendix for further information.

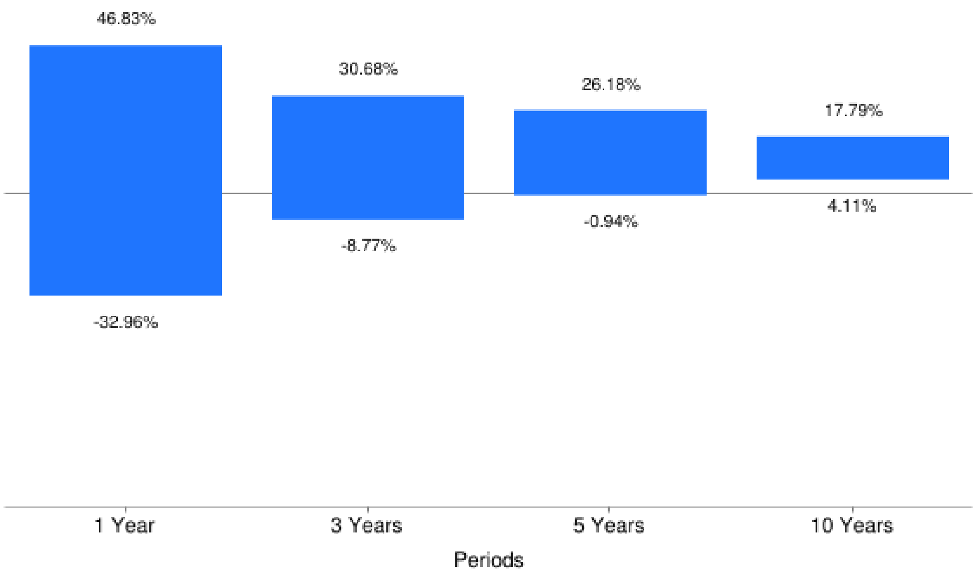
1. The Effects of Market Volatility:

	Portfolio A	Portfolio B
Year 1	20.00%	13.50%
Year 2	-20.00%	-6.50%
Year 3	-5.00%	1.00%
Year 4	35.00%	21.00%
Year 5	5.00%	6.00%
Simple Sum	35.00%	35.00%
Simple Average Annual Return	**7.00%**	**7.00%**
Cumulative Return	29.28%	37.47%
Annualized Return	5.27%	6.57%
Standard Deviation/Volatility	**21.39%**	**10.69%**
Dollar Amount Invested	$100,000	$100,000
Dollar Amount at End of Year 5	**$129,276**	**$137,474**

Forum attempts to lower the volatility of a portfolio through asset allocation using the asset classes described in Section III. The above hypothetical example illustrates the effects of market volatility. Both portfolios in this hypothetical example have the same simple average return of 7% and each portfolio's returns sum to 35%. However, Portfolio B has lower volatility, as measured by standard deviation, at 10.69%. Portfolio A has a higher volatility, measured by its standard deviation of 21.39%, or over two times the volatility of Portfolio B. The return of Portfolio A is significantly lower than that of Portfolio B. This may indicate that increasing risk alone may not be an appropriate approach to increasing the performance of a Portfolio.

2. Range of Rolling Annual Returns for Given Periods (Net of Advisory Fees):

Data as of Dec-16



This graph uses the hypothetical historical annual returns of the Recommended Portfolio on a monthly rolling basis. It illustrates the maximum and minimum return historically for one-year, three-year, five-year and ten-year periods since January 1970. The bars show the range of returns that would have occurred for these periods. Historically, a Client's chance of losing investment principal decreases dramatically when investments are held for a longer period of time. A longer investment time horizon enables the Portfolio to have more time to recover from any losses. When an investment horizon is short, investment value may be low when money must be withdrawn. Over a longer term, the Client will have the opportunity of more time to ride out the highs and lows of the market. A Client's potential returns are less extreme with a longer holding period.

3. Historical Annual Rates of Return (Net of Advisory Fees):

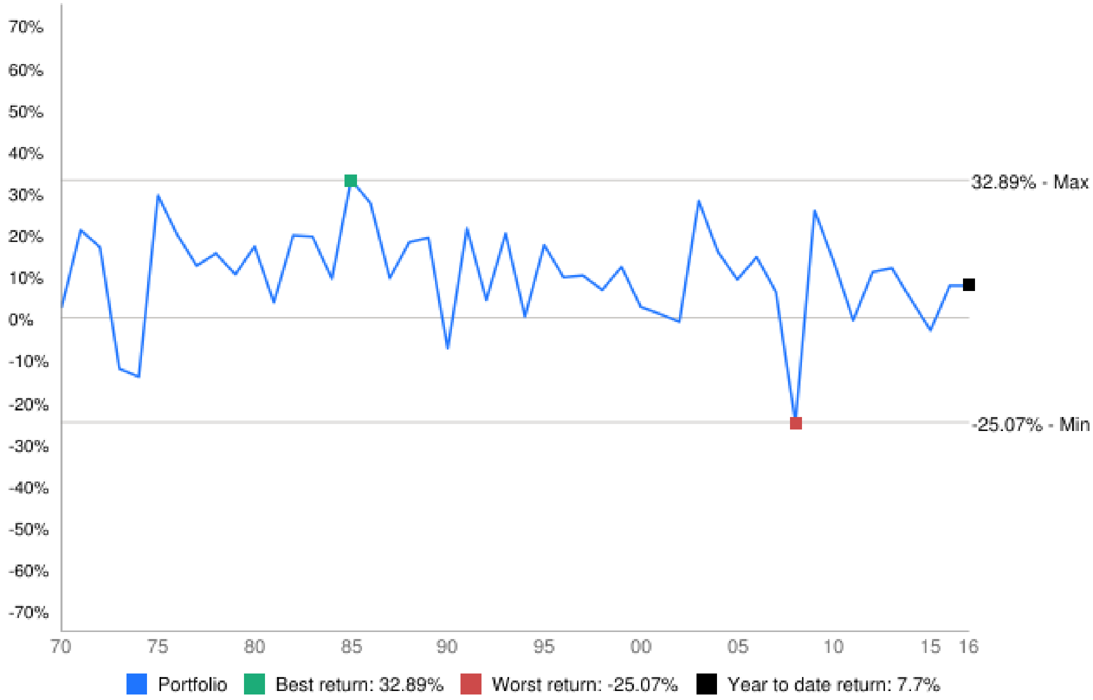
1970 2.3%	1971 20.9%	1972 16.8%	1973 -12.3%	1974 -14.2%	1975 29.2%	1976 19.8%	1977 12.4%	1978 15.4%	1979 10.3%
1980 17.0%	1981 3.6%	1982 19.6%	1983 19.4%	1984 9.3%	1985 32.9%	1986 27.4%	1987 9.4%	1988 18.0%	1989 19.1%
1990 -7.4%	1991 21.3%	1992 4.1%	1993 20.1%	1994 0.3%	1995 17.3%	1996 9.6%	1997 10.1%	1998 6.6%	1999 12.1%
2000 2.6%	2001 0.9%	2002 -1.0%	2003 27.9%	2004 15.7%	2005 9.1%	2006 14.5%	2007 6.1%	2008 -25.1%	2009 25.6%
2010 13.3%	2011 -0.7%	2012 10.9%	2013 11.8%	2014 4.3%	2015 -3.0%	2016 7.7%			

Year to Date (YTD) as of Dec-16.

The table above displays the hypothetical historical performance of the Recommended Portfolio for each calendar year since January 1970. The annual performance is net of Investment Advisory Fees and mutual fund expenses as presented in the Forum Advisory Agreement.

4. Historical Annual Rates of Return (Net of Advisory Fees):

Data as of Dec-16



This graph illustrates the hypothetical historical performance of the Recommended Portfolio for each calendar year since January 1970. Investment returns are random and unpredictable. Risk refers to the uncertainty related with those returns. The riskier the investment, the larger the range of potential outcomes it is likely to produce. The Client should focus on the investment objective and investment horizon, rather than on short-term performance fluctuations.

5. Performance Summary Report (Net of Advisory Fees):

Data as of Dec-16

Hypothetical Portfolio

Rebalanced Monthly (10% bands); Net of management fee and mutual fund expenses.

Annualized Performance for past 1 year	7.67%
Annualized Performance for past 3 years	2.86%
Annualized Performance for past 5 years	6.18%
Annualized Performance for past 10 years	4.25%
Annualized Return Since Inception	9.81%
Best 1 year	46.83%
Best 3 years	30.68%
Best 5 years	26.18%
Best 10 years	17.79%
Worst 1 year	-32.96%
Worst 3 years	-8.77%
Worst 5 years	-0.94%
Worst 10 years	4.11%
Growth of Wealth ($1)	$81.15
Inception Date	January 1970

This graph uses the hypothetical historical monthly returns of the Recommended Portfolio. The graph illustrates performance over the most recent one-year, three-year, five-year and ten-year periods; the best and worst monthly rolling one-year, three-year, five-year and ten-year returns over the entire data period; and the growth of $1 over the entire data period.

Appendix Additional Disclosures and Definitions

All performance data is provided by Dimensional Fund Advisors through the Returns 2.0 program. All performance data was obtained by Forum from outside sources and is believed to be reliable, but there can be no guarantees as to its accuracy or reliability. Estimates presented herein are based upon historical performance data of indices and adjusted for both the Management Fee to be charged by Forum and the expenses of mutual funds currently used by Forum for each asset class in its investment models. However, Portfolio returns do not consider any fees charged to the account by the Custodian.

The IPS has been prepared using historical performance of indices determined by Forum to be representative of the asset classes. There is no stated or implied guarantee that the stated rate of return will be realized or that the investments presented will perform as indicated in future years. The performance displayed herein is hypothetical and was compiled after the end of the time period specified. Such results do not represent actual results of any particular customer account and may not reflect the actual performance of the program, since some of the investments currently used in the program have not existed for the entire period shown. No attempt has been made to predict how these asset classes will perform in the future. Rather, the IPS attempts to compare the historical relationship between specific asset classes in general, with the hope of providing illustrations. As such, there is no specific claim or warranty implied about future performance.

Actual returns will depend on the performance of the actual investments. Differences between indexed returns and volatility presented herein and actual results could arise and these differences may be material, resulting in a Portfolio value which may be more or less than the original value and/or significantly different from the Recommended Portfolio's results shown herein. Past performance is not an indication of future results.

Source Disclosure for Data Used in Graphs

Domestic Equity Asset Classes and Representative Indices

US Large Cap
This asset class is comprised of mutual funds that invest in a broad range of U.S. equity securities considered to be large capitalization. The US Large Cap asset class is represented for performance purposes by: January 1970-present: S&P 500 Index.

US Core Equity
This asset class is comprised of mutual funds that invest in a broad range of U.S. equity securities and provides exposure to the total U.S. stock market. Securities may be weighted to provide greater than market-weight exposure to factors that increase expected return, such as but not limited to small cap, value and profitability factors. The US Core Equity asset class is represented for performance purposes by: January 1970-present: Dimensional US Adjusted Market 2 Index.

US Small Cap Value
This asset class is comprised of mutual funds that invest in a broad range of U.S. equity securities whose market capitalization is not considered large capitalization. Securities may be weighted to provide greater than market-weight exposure to factors that increase expected return, such as but not limited to small cap, value and profitability factors. The US Small Value asset class is represented for performance purposes by: January 1970-present: Dimensional US Targeted Value Index.

US Real Estate
This asset class is comprised of mutual funds that invest in a broad range of U.S. Real Estate Investment Trusts ("REITs") and companies engaged in residential construction and firms. The US Real Estate is asset class is represented for performance purposes by: January 1978-present: Dow Jones US Select REIT Index; January 1970-December 1977: 50% Dimensional US Small Cap Index and 50% Dimensional US Small Value Index.

International Equity Asset Classes and Representative Indices

International Core
This asset class is comprised of mutual funds that invest in a broad range of non-U.S. developed market equity securities. Securities may be weighted to provide greater than market-weight exposure to factors that increase expected return, such as but not limited to small cap, value and profitability factors. The International Core asset class is represented for performance purposes by: January 1994-Present: Dimensional International Adjusted Market Index; January 1970-December 1993: MSCI EAFE Index.

International Large Cap
This asset class is comprised of mutual funds that invest in stocks of large capitalization non-U.S. companies from developed countries. The International Large Cap asset class is represented for performance purposes by: January 1994-present: Dimensional International Large Index; January 1970-December 1993: MSCI EAFE Index.

International Small Cap Value
This asset class is comprised of mutual funds that invest in stocks of small capitalization non-U.S. companies. Securities may be weighted to provide greater than market exposure to factors that increase expected return, such as but not limited to small cap, value and profitability factors. The International Small Cap Value asset class is represented for performance purposes by: July 1981 - Present: Dimensional International Small Value Index; January 1970- June 1981: Dimensional International Small Cap Index.

Emerging Markets Core
This asset class is comprised of mutual funds that invest in a broad range of emerging market equity securities. Securities may be weighted to provide greater than market-weight exposure to factors that increase expected return, such as but not limited to small cap, value and profitability factors. The Emerging Markets Core asset class is represented for performance purposes by: January 1994-Present: Dimensional Emerging Markets Adjusted Market Index; January 1988-December 1993 MSCI Emerging Markets Index (gross div); January 1970- December 1987: Dimensional International Small Index.

International Real Estate
This asset class is comprised of mutual funds that invest in a broad range of securities of non-U.S. companies in the real estate industry, and may include developed and emerging markets, with a focus on non-U.S. REITs and companies that the mutual fund manager considers to be REIT-like investments. The funds should be well diversified with respect to both geography and property type. The International Real Estate asset class is represented for performance purposes by: July 1989-Present: S&P Global ex US REIT Index (gross div.); January 1970-June 1989: US REIT.

Global Equity Asset Classes and Representative Indices

Global Equity
This asset class is comprised of mutual funds that invest in a combination of underlying US, international, and emerging markets equity funds. The Global Equity asset class is represented for performance purposes by: July 1973-Present: DFA Equity Balanced Strategy Index.

Global 60% Equity
This asset class is comprised of mutual funds that invest in a combination of underlying US equity, international developed equity, emerging markets equity and fixed income funds. Generally, the Portfolio invests its assets in equity and fixed income underlying funds to achieve an allocation of approximately 40% to 80% (with a target allocation of approximately 60%) of the assets allocated to equity funds and 20% to 60% (with a target allocation of approximately 40%) of the assets allocated to fixed income funds. Global 60% Equity asset class is represented for performance purposes by: July 1973-Present: DFA Normal Balanced Strategy Index.

Global 25% Equity
This asset class is comprised of mutual funds that invest in a combination of underlying US equity, international developed equity, emerging markets equity and fixed income funds. Generally, the Portfolio invests its assets in equity and fixed income underlying funds to achieve an allocation of approximately 5% to 45% (with a target allocation of approximately 25%) of the assets allocated to equity funds and 55% to 95% (with a target allocation of approximately 75%) of the assets allocated to fixed income funds. The Global 25% Equity asset class is represented for performance purposes by: July 1973-Present: DFA Conservative Balanced Strategy Index.

Global Real Estate
This asset class is comprised of mutual funds that invest in securities of U.S. and non-U.S. companies in the real estate industry, including with a focus on U.S. and non-U.S. REITs and companies that the mutual fund manager considers to be REIT-like entities. Forum may use this fund to replace allocations to both U.S. REIT and International REIT at its discretion. The Global Real Estate asset class is represented for performance purposes by: July 1989-Present: S&P Global REIT Index (gross div.); January 1970-June 1989: US REIT.

Fixed Income Asset Classes and Representative Indices

Core Bonds
This asset class is comprised of mutual funds that invest in investment grade obligations. The allocation will seek to be diversified. The Core Bonds asset class is represented for performance purposes by: January 1976-present Barclays Capital Treasury Bond Index 1-5 Years, January 1970-December 1975 Merrill Lynch One-Year US Treasury Note Index.

Investment Grade
This asset class is comprised of mutual funds that invest in investment grade obligations. The allocation will seek to be diversified. The Core Bonds asset class is represented for performance purposes by: January 1976-present Barclays Capital Treasury Bond Index 1-5 Years, January 1970-December 1975 Long Term Government Bonds Index.

Global Bonds
This asset class is comprised of mutual funds that invest in a broad range of investment grade obligations from US and international developed fixed income securities. The Global Bonds asset class is represented for performance purposes by: January 1985-present Citigroup World Government Bond Index 1-3 Years (hedged); January 1970-December 1984: Short-Term Bonds.

Short-Term Bonds
This asset class is comprised of mutual funds that invest in investment grade with an average portfolio duration of three years or less. The Short-Term Bonds asset class within Preservation oriented portfolios is represented by: January 1976-present Barclays Capital Treasury Bond Index 1-5 Years, January 1970-December 1975 Merrill Lynch One-Year US Treasury Note.

Short Term Investment Grade Inflation Protected
This asset class is comprised of mutual funds that invest in investment grade obligations typically with an average portfolio duration of three years or less. The Short-Term Inflation Protected asset class is represented for performance purposes by: March 1997-present Barclays US TIPS 1-5 Years Index; January 1970-February 1997 Short Term Bonds.

Treasury Inflation Protected
This asset class is comprised of mutual funds that invest in fixed income securities that are structured to provide protection against inflation. The value of the bond's principal, or the interest paid on the bond, is adjusted to track changes (up or down) in an official inflation measure. The U.S. Treasury, the largest domestic issuer of inflation protected securities i.e., Treasury Inflation Protected Securities ("TIPS"), currently uses the Consumer Price Index for Urban Consumers (CPI) as its inflation measure. Inflation-protected bonds issued by foreign governments and U.S. or foreign corporations are generally adjusted to reflect a comparable measure of inflation determined by that government or corporation. Forum may allocate a portion of the allocation to short-term or intermediate term mutual funds at its discretion. Treasury Inflation Protected asset class is represented for performance purposes by: January 1997-present Barclays Capital U.S. TIPS Index; January 1970-December 1996: Intermediate Government.

Intermediate Government
Portfolio is comprised of mutual funds that invest in obligations issued or guaranteed by the US government and US government agencies, AAA rated, dollar-denominated obligations of foreign governments, obligations of supranational organizations, and futures contracts on US Treasury securities. The Intermediate Government asset class is represented for performance purposes by: January 1973-present Barclays Capital US Government Bond Index; January 1970-December 1972 Long-Term Government Bonds.

Definitions of Certain Terms Used in IPS

1. Historical Rate of Return: The 1, 3, 5 & 10 year returns represent the "average" annual return for all of those rolling time periods (January to January, February to February and so on) in the time period specified. For example, during a 10-year time horizon there are 108 one-year holding periods and calculations. No guarantee can be given about future performance and rates of return shall not be construed as offering such a guarantee. It should be recognized that the Portfolio may invest in both passively and actively managed accounts and securities, that the actual weightings of these investments can, and will, vary and, as a result, actual returns and volatility characteristics will be higher or lower than those presented in this report.

2. Indices: Indices represent a "basket" of securities or other investments selected to represent the performance and characteristics of a selected sector of the market or the investment area being considered. Well known examples include the S&P 500 Index, the Dow Jones Industrial Average, etc. Indices are not available for direct investment and they are not indicative of any particular underlying investment. They serve as a useful proxy for the overall market or selected asset class for purposes of comparison with the performance of a specific Portfolio.

3. Maximum Return: The Portfolio's maximum return is calculated using the Portfolio's upper boundary of a specified frequency range of returns. No guarantee can be given about future performance and this value shall not be construed as offering such a guarantee. It should be recognized that the Portfolio may invest in both passively and actively managed accounts and securities, that the actual weightings of these investments can, and will, vary and, as a result, actual returns and volatility characteristics will be higher or lower than those presented in this report.

4. Minimum Return: The Portfolio's minimum return is calculated using the Portfolio's lower boundary of a specified frequency range of returns. No guarantee can be given about future performance and this value shall not be construed as offering such a guarantee. It should be recognized that the Portfolio may invest in both passively and actively managed accounts and securities, that the actual weightings of these investments will, vary and, as a result, actual returns and volatility characteristics can be higher or lower than those presented in this report.

Important Disclosures on Simulations

Simulation Methodology

Simulations are used to show how a reasonable range of variation in rates of return each year can affect your outcomes. The simulation calculates the results of your plan by running hypothetical cash flows and investment returns, each time using a different sequence of annual returns. Some sequences of returns will give you better results, and some will give you worse results. These multiple trials provide a range of possible outcomes, some successful (you would have money remaining at your target age) and some unsuccessful (you would not have money remaining at your target age). The percentage of trials that were successful is the probability that your plan, with all its underlying assumptions, could be successful. The simulations indicate the likelihood that an event may occur as well as the likelihood that it may not occur. In analyzing this information, please note that the analysis does not take into account actual market conditions, which may severely affect the outcome of your goals over the long-term.

Simulation Assumptions

For the purposes of running this simulation, we must make certain assumptions. The projected return and volatility assumptions for the Portfolio shown in this analysis are an average annual return of 6.71% and annual standard deviation of 10.51% as estimated by the investment committee of Forum, prior to the adjustments made for the advisory fees and mutual fund expenses. Portfolio returns are assumed to be normally distributed. The spending and cash flows occur on an annual basis with year 1 cash flows occurring at the end of year 1 and so forth. In models with a short-term bucket, the value is set at a fixed dollar amount at the beginning of the retirement period, and so will not remain a set percentage of the overall portfolio through time.

The Client's actual results will vary (potentially dramatically) from those presented in this report if the actual realized investment returns, tax rates, or inflation rates vary from those used in this analysis. All calculations use projected return assumptions, not returns of actual investments.

Sustainable Spending and Probability of Success

The Sustainable Spending is calculated by finding the spending rate that results in a certain Probability of Success. The Probability of success is the percentage of simulated outcomes in which the plan is successful. The simulation runs the simulation 10,000 times, so if 6,000 of those runs are successful (i.e., you have money remaining at the target age for the Sustainable Spending), then the Probability of Success would be 60% and the Probability of Failure would be 40%.

QUESTIONNAIRE RESPONSES

When do you expect to begin regularly withdrawing money from this portfolio for living expenses? *Please ignore required minimum distributions for the purposes of this question.*
ANSWER: 15 years or more, or expect to gift to heirs

After you begin withdrawing money from this portfolio, what is the longest period over which these withdrawals may need to last? *Typically this is at least your joint life expectancy, or if gifting a large portion of your assets, the period over which beneficiaries would receive the money.*
ANSWER: 10 - 14 years

Inflation, the rise in prices over time, can erode investment return. Investors should be aware that if investment returns are less than the inflation rate, then the ability to purchase goods and services in the future (i.e., purchasing power) might actually decline. In order to maintain purchasing power, investment returns must at least equal, or preferably exceed, the rate of inflation. Generally, higher returns can only be achieved by accepting greater risk or volatility (i.e. more fluctuations in the value of a portfolio).

Which of the following portfolios is most consistent with your investment philosophy?
ANSWER: Portfolio C will most likely exceed long-term inflation by a moderate margin and has a moderate to high degree of risk or volatility.

How long would your current cash reserves last if you needed to use them for living expenses?
ANSWER: Three to six months

Investing involves a trade-off between risk (or volatility) and return. Historically, investors who have received higher long-term average returns have experienced larger fluctuations in the value of their portfolios and more frequent short-term losses.

Considering the above, which statement best describes your investment goals?
ANSWER: Balance Returns and Risk. I would like to achieve moderate long-term returns and am willing to accept moderate additional levels of risk.

Historically markets have experienced downturns, both short-term and prolonged, followed by market recoveries. Suppose you owned a well-diversified portfolio that declined by 20%, consistent with the overall market performance (i.e. a $100,000 portfolio would now be worth $80,000). Assuming you still have 10 years until you begin withdrawals, how would you react?
ANSWER: I would be somewhat concerned but would remain invested for long-term.

The following graph shows the best, average, and worst one-year return that investors might expect in the first year after investing $100,000 in each of 5 hypothetical portfolios. Note that the portfolio with the best potential gain also has the largest potential loss. *The results are not intended to represent the returns of actual portfolios and are being used only to measure your tolerance for risk or volatility versus long-term returns. Past performance is no guarantee of future results.*

Which of these portfolios would you prefer to hold?
ANSWER: Portfolio D

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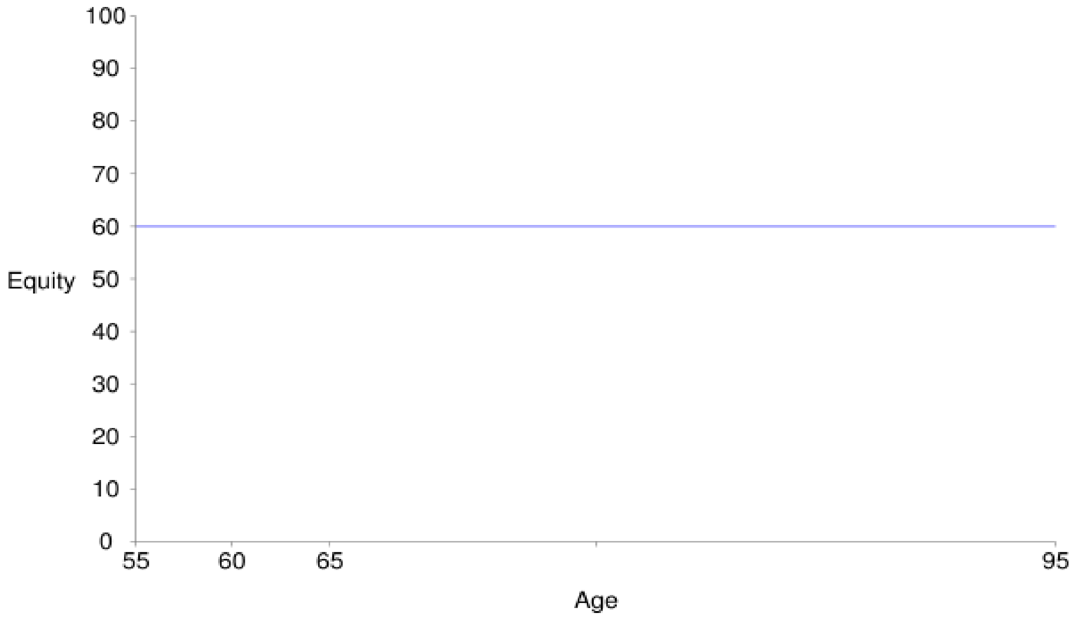
CLIENT APPROVAL OF RECOMMENDED PORTFOLIO

Current Portfolio	GNP 60 Growth	**Target Retirement Age**	65
Total to be Managed	$1,000,000	**Management Fee**	1.0%
Unmanaged Assets	$0	**Annual Saving Until Retirement**	$0
Time Horizon	95	**Sustainable Spending in Retirement**	$66,165
Risk Tolerance	31	**Expected Value of Portfolio at Retirement**	$1,587,313

Client acknowledges that Forum has the discretion to change the allocation over time in accordance with the following schedule as the client ages. This is not an obligation to do so, as the Client also gives Forum permission to excercise its discretion to leave the Client in an equity allocation if Forum believes doing so would be in the Client's best interest.



Client Acknowledgement: Client (John Smith and Mary Smith) acknowledges and represents that Client has had the opportunity to review the Investment Policy Statement in its entirety including Questionnaire Responses, and approves the above current allocation and directs Client's assets be invested in the Recommended Portfolio. Client acknowledges that, if a short-term bucket percentage is listed, it references a fixed percentage of the Total to be Managed at the beginning of the investment period, and this bucket may vary through time with respect to its percentage of the portfolio value. Client recognizes and accepts that Client must assume investment risks in order to achieve long-term investment objectives and acknowledges that there are uncertainties and complexities associated with investing in the capital markets.

Client: ____ Date: _________________ Advisor Initials

Client: ____ Date: _________________ ________________

Please reference Important Disclosures on Simulations in the Investment Policy Statement.