



Risk Profile Questionnaire and Investment Policy Statement

Risk Profile Questionnaire

The client's recommended investment strategy and risk profile is developed from this confidential Questionnaire. The Questionnaire will help identify the client's investment objectives and risk profile so that Baystate Wealth can develop the appropriate asset allocation based on the client's goals, objectives and risk tolerance.

Advisor Name(s): _____ Advisor Phone No: _____

I. IMPORTANT CLIENT INFORMATION

What name and address would you like to appear on correspondence?

Client Name(s) : _____

Client Preferred Salutation: _____

Address: _____

Email Address: _____

(By providing the email address, the client agrees to receive communications from Baystate Wealth via email. Also, email addresses will be used to enroll clients for access to Black Diamond Performance Reporting.)

☐ Check here if the client does **not** give consent to your investment advisor representative for delivery by e-mail.

Black Diamond Disclosure (See P.7)

☐ Check here if the client does **not** give consent to use Northern Capital Securities Corp.

Northern Capital disclosure (See P. 7)

Approximate Net Worth or Net Assets, excluding residences (check or circle):

- ☐ \$0 – \$499,999
 ☐ \$500,000 – \$999,999
 ☐ \$1,000,000 – \$4,999,999
 ☐ \$5,000,000 - \$14,999,999
☐ \$15,000,000 - \$24,999,999
 ☐ \$25,000,000 or more

Current Tax Bracket ____ %

Does the client have any tax loss carry forwards? If yes, what amount? YES/ NO \$ _____

Value of Total Investable Assets *(the sum of your cash and investments, including real estate investments, private equity, hedge funds, etc., but excluding residences) (check or circle)*

- ☐ \$0 – \$499,999
 ☐ \$500,000 – \$999,999
 ☐ \$1,000,000 – \$4,999,999
 ☐ \$5,000,000 - \$14,999,999
☐ \$15,000,000 - \$24,999,999
 ☐ \$25,000,000 or more

Approximate Annual Income *(check or circle):*

- ☐ \$0 – \$49,999
 ☐ \$50,000 – \$99,999
 ☐ \$100,000 – \$499,999
 ☐ \$500,000 - \$999,999
☐ \$1,000,000 or more

Source of Funds *(check or circle all applicable):*

- ☐ Savings
 ☐ Inheritance
 ☐ Sale of Assets
 ☐ Sale of Business
 ☐ Advisory Account(s)
 ☐ Pension
☐ Rollover
 ☐ Legal/Insurance Settlement

II. RISK TOLERANCE

The questions set forth below are designed to help Baystate Wealth determine the client's investment objectives and true risk tolerance. Please answer all of the following questions. Please consider each response carefully to avoid responses that conflict with one another.

1. Financial Objective (Choose One)

- A. Capital Preservation..... ☐ 1 point
 B. Current Income..... ☐ 3 points
 C. Income and Capital Appreciation..... ☐ 5 points
 D. Capital Appreciation..... ☐ 7 points
 E. Substantial Capital Appreciation..... ☐ 10 points

2. What is your investment time horizon for these assets?

- A. One to three years..... ☐ 1 point
 B. Four to nine years..... ☐ 7 points
 C. Ten years or more..... ☐ 10 points

3. How much risk will you be willing to take in an attempt to achieve higher returns?

- A. Low Risk..... ☐ 1 point
 B. Low/Medium Risk..... ☐ 3 points
 C. Medium Risk..... ☐ 5 points
 D. Medium/High ☐ 8 points
 E. High Risk..... ☐ 10 points

4. For this portfolio, you would like to invest in assets that offer (choose one)

- A. Current income with modest fluctuation in value..... ☐ 3 points
- B. Mixed of appreciation and some income, with moderate fluctuation of principal..... ☐ 7 points
- C. The potential for high capital appreciation but the possibility for substantial fluctuation and loss of principal ☐ 10 points

5. Which of the following hypothetical investment scenarios most appeal to you (check A, B, or C)

	Annualized Return Goal	Potential Return in a positive ("Good") Year	Potential Return in a negative ("Bad") year	Average Frequency of losing money
A.	10%	30%	-40%	1 in 4 years..... <input type="checkbox"/> 10 points
B.	8%	20%	-25%	1 in 5 years..... <input type="checkbox"/> 5 points
C.	4%	10%	-12%	1 in 6 years..... <input type="checkbox"/> 1 point

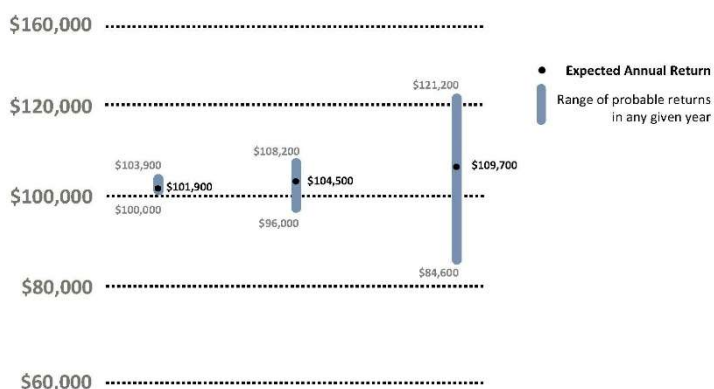
6. Which of the following would you prefer?

- A. Capital Preservation..... ☐ 1 point
- B. Potential for low return with low risk..... ☐ 3 points
- C. Potential for moderate return with moderate risk..... ☐ 5 points
- D. Potential for high return with high risk..... ☐ 10 points

7. In 2008 the U.S Stock market dropped by approximately 37%. This meant that \$100,000 invested in the U.S. stock market at the beginning of 2008 was worth \$63,000 at the end of 2008. If a similar event were to occur again in your lifetime, how would you respond/react?

- A. I would sell my entire investment..... ☐ 1 point
- B. I would significantly decrease in investment..... ☐ 2 points
- C. I would slightly decrease my investment..... ☐ 3 points
- D. I would neither buy or sell..... ☐ 7 points
- E. I would slightly increase my investment..... ☐ 9 points
- F. I would significantly increase my investment..... ☐ 10 points

8. If you were to invest \$100,000 over a one-year period, which of these possible investment outcomes would best suit your investment objectives?



- A..... ☐ 1 point
- B..... ☐ 5 points
- C..... ☐ 10 points

9. In 2008, international stock markets (those outside of the U.S.) dropped by approximately 44%. This meant that \$100,000 invested at the beginning of 2008 was worth \$56,000 at the end of 2008. However, in 2009, world stock markets rose by approximately 36%, meaning that \$100,000 invested at the beginning of 2009 would have been worth \$136,000 at the end of 2009. To what extent do you agree with the statement “I am comfortable with this kind of volatility”?

- A. Strongly Agree..... ☐ 10 points
 B. Agree..... ☐ 8 points
 C. Somewhat Agree..... ☐ 6 points
 D. Somewhat Disagree..... ☐ 4 points
 E. Disagree..... ☐ 2 points
 F. Strongly Disagree..... ☐ 0 point

Scale:

10 To 26	Conservative
27 To 42	Conservative Plus
43 To 58	Moderate
59 To 74	Moderate Plus
75 To 90	Aggressive

The responses set forth on this Questionnaire are intended to elicit information from you to assist in identifying your investment need(s)/objective(s) and risk parameters, which will then form the basis of an Investment Policy Statement to be prepared by Baystate Wealth Management and presented to you for review/adoption. The Investment Policy Statement is the document that will confirm your investment objectives and any corresponding investment-related restrictions, upon which Baystate Wealth Management will rely on for the purposes of managing your account(s) until you advise Baystate Wealth Management, in writing, to the contrary.

Please Note: The response to any one or series of questions on this Profile should not be construed, nor will serve, as a mandate that will govern the investment advisory engagement unless specifically agreed upon in writing between Baystate Wealth Management and the client and set forth on the Investment Policy Statement

Total Score: _____ **Corresponding Strategy** _____

Investment Policy Statement

Based on your answers to the information provided in the Risk Profile Questionnaire, and in consultation with your investment advisor representative(s), we have agreed to the following preliminary asset allocation. For each account registration, Baystate Wealth's core global strategy will be implemented unless indicated otherwise below (see list of strategies on P. 10)

<u>Registration Name</u>		<u>Initial Amount</u>		<u>Strategy</u>	
<hr/>		<hr/>		<hr/>	
Core Global (Default)	Domestically Biased ¹	Internationally Biased ²	With Munis ³	Dividend Biased ⁴	ESG Biased ⁵
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ **Domestically Biased** – An asset allocation strategy that calls for greater exposure to US domestic investments, relative to the international markets. Not available for Fixed Income & Alternatives and Defensive Income strategies.

² **Internationally Biased** – An asset allocation strategy that calls for greater exposure to international (non-US) investments, relative to the US domestic investments. Not available for Fixed Income & Alternatives, and Defensive Income strategies.

³ **With Munis** – A strategy that allocates a portion of the client's fixed income investments to tax sensitive strategies, such as municipal bonds. Not available for Equities & Alternatives and Equity Biased strategies.

⁴ **Dividend Biased** – An asset allocation strategy that implements equity positions that may have a focus on dividend paying companies. Not available for Fixed Income & Alternatives and Defensive Income strategies.

⁵ **ESG Strategy**- ESG stands for Environmental, Social and Governance. They are factors that guide us when identifying and investing in companies with a moral compass. We incorporate these elements into our hallmark process of engineering low cost, tax efficient portfolios with a focus on valuations.

If ANY of the above recommended strategies are different from the strategy determined to be appropriate based on the answers to the questions, please use the space below to explain in detail why the alternative recommendation is suitable for the client.

Are there any limitations to investing the funds fully into the strategy indicated above?

CHOOSE ONE: YES ☐ NO ☐

If yes, a member of the Baystate Wealth team will contact your financial advisor to complete the IPS Customization Form. This form will require an additional signature(s), which may be obtained by the way of DocuSign, our electronic signature provider.

PLEASE NOTE: Unless customized requests are provided on the Customized Supplement form (including any instructions for dollar cost averaging for investing into the strategy), we will assume that there are no restrictions on our services, other than to manage the account in accordance with your designated investment objective. The account(s) will be traded to the model strategy. Client-imposed customized requests may cause account(s) to exceed the maximum volatility limit.

ACKNOWLEDGEMENT

Please Remember: Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended and/or undertaken by Baystate Wealth Management, LLC-“Baystate Wealth”) will be profitable. Baystate Wealth will rely on the accuracy of the information that you provide until you advise Baystate Wealth, in writing, of any changes. **Please remember that it remains your responsibility to advise Baystate Wealth, in writing, if there are any changes in your personal/financial situation, or if you would like to impose, add, or to modify any reasonable restrictions to Baystate Wealth’s investment advisory services.** **Please Note:** Unless indicated to the contrary in the spaces directly above, there are no restrictions on our services other than to manage the account(s) in accordance with this Investment Policy Statement

By signing below, you acknowledge your agreement with and understanding of the terms of the Black Diamond BlueSky Access Agreement (which is shown next page)

I (we) acknowledge and confirm that the information provided in the Investment Policy Statement is accurate and complete. Additionally, I (We), confirm that I (We) have reviewed and understand the above asset allocation and overall recommendation, with the understanding that any recommendations are based upon the information supplied to Baystate Wealth Management.

_____ Client Name	_____ Client Signature	_____ Date
_____ Client Name	_____ Client Signature	_____ Date
_____ Client Name	_____ Client Signature	_____ Date
_____ Investment advisor representative Name	_____ Investment advisor representative Signature	_____ Date

The above represents the client's aggregate objectives/goals/restrictions. The client's portfolio could be comprised of multiple accounts, all of which, when viewed in the aggregate, reflect the client's overall objective/goal/restrictions.

BLACK DIAMOND BLUESKY ACCESS AGREEMENT

Purpose

Baystate Wealth Management (BWM) offers its clients Black Diamond BlueSky, an online website offered by Black Diamond Performance Reporting. Black Diamond BlueSky permits you, as a BWM client to view account information online.

Your Access to Information

Upon receipt of your fully completed Registration/Enrollment form, providing the necessary information about you, BWM will make Black Diamond BlueSky available to you by providing you with a User ID and Password.

In order to use Black Diamond BlueSky, you must already have Internet access. For support to assist you in accessing Black Diamond BlueSky, contact your advisor representative at BWM.

Terms and Conditions

You are fully responsible for the security of passwords, User IDs and other security devices assigned to you by us. The use and storage of any information by you relating to Black Diamond BlueSky including, without limitation, security devices, and any other information on your computer is at your own risk and is your sole responsibility.

You agree that you shall not cause to be introduced into the website any virus or any other contaminant or code that may be used to access, alter, delete, damage, or disable any software or data. You may print a copy of the information provided on Black Diamond but agree not to reproduce or distribute the text or graphics to third parties. The trademarks, service marks, and logos used and displayed belong to their respective owners, and all use of them shall inure to the benefit of those respective owners.

You understand that nothing in this website constitutes investment, tax, legal, or insurance advice, nor an offer to sell or the solicitation of any offer to buy any security or any related product. Furthermore, you acknowledge that neither Baystate Wealth Management nor Black Diamond Performance Reporting shall be liable for any direct or indirect, special, incidental, or consequential damages that may arise or result from your use of, or inability, to access information or use Black Diamond BlueSky.

Disclaimer of Warranties

You expressly agree that your use of Black Diamond BlueSky is at your sole risk. Baystate Wealth Management or any of their respective directors, officers, employees, agents, contractors, affiliates, information providers, licensors, or other suppliers providing data, information, services or software, do not warrant that the service will be uninterrupted or error free. The aforementioned do not make any warranty as to the results that may be obtained from the use of Black Diamond BlueSky or as to the timeliness, sequence, accuracy, completeness, reliability or content of any data, information, services, or transactions provided through Black Diamond BlueSky. Black Diamond BlueSky is provided on an “as is available” basis. No warranties of any kind, either express or implied, including, without limitation, those of merchantability and fitness for a particular purpose will be permitted, other than those warranties which are implied by and incapable for exclusion, restriction or modification under the laws applicable to this agreement.

Termination

BWM may terminate this Agreement upon written or electronic notice to you. In addition, Black Diamond or BWM may block access to the use of Black Diamond BlueSky without prior notice. Services will be discontinued, due to circumstances beyond their respective control, or other reasons.

Agreement

By completing, signing and submitting a Black Diamond BlueSky Registration/Enrollment Form to BWM, you agree to the terms of this Agreement.

Mail to: Baystate Wealth Management, 200 Clarendon Street, 25th Floor, Boston, MA 02116

NORTHERN CAPITAL SECURITIES CORP DISCLOSURE

Northern Capital Securities Corp. is a third party that seeks to find the best execution price for bonds that a client might hold in their portfolio(s). For further information on the firm, please visit www.northerncapital.com.

For Northern Capital's ADV disclosure, please visit:

https://adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=447911

For Northern Capital's order routing disclosure please visit: <https://www.rbcwm-usa.com/legal/rbc-cs/cid-360855.html>

ASSET ALLOCATION AND STRATEGIES REFERENCE GUIDE

Core Strategies:**Aggressive - 125**

Description: An investment strategy aggressively positioned for long-term growth of capital with a concentration in “risk” assets.

Risk Level: Aggressive

Appropriate for: Investors with high risk tolerance and a long-term time horizon, typically a minimum of 10-15+ years. Investors selecting this strategy must be willing to accept the possibility of a significant loss of value and a high level of volatility in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 125% ¹

Moderate Plus - 100

Description: An investment strategy positioned for long-term growth of capital.

Risk Level: Moderately High

Appropriate for: Investors who have moderately high-risk tolerances and long-term time horizons, typically 10+ years. Investors selecting this strategy must be willing to accept the possibility of a moderate loss of value and a fairly high level of volatility in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 100% ¹

Moderate - 75

Description: An investment strategy positioned for moderate growth of capital and income generation.

Risk Level: Moderate

Appropriate for: Investors who have moderate risk tolerances and medium-term time horizons, typically 5-10 years. Investors selecting this strategy must be willing to accept the possibility of some loss of value and a moderate level of volatility in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 75% ¹

Conservative Plus - 60

Description: An investment strategy positioned for a mix of growth and income, with a higher focus on income producing and alternative investments.

Risk Level: Moderately Conservative

Appropriate for: Investors who have moderately conservative risk tolerances or a short or medium-term time horizon, typically 2-5 years. Investors selecting this strategy are looking to grow their portfolio through a mixture of income and capital appreciation, with a secondary goal of preserving core capital over the long-term with relatively low volatility in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 60% ¹

Conservative - 50

Description: An investment strategy positioned to generate income.

Risk Level: Conservative

Appropriate for: Investors who have a conservative risk tolerance or a short-term time horizon, typically 1-3 years. Investors selecting this strategy are risk adverse and are looking for growth through income with a primary goal of principal preservation and no interest in capital appreciation in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 50% ¹

¹Max relative volatility is measured by the trailing 12-month standard deviation of the portfolio divided by the trailing 12-month standard deviation of the MSCI ACWI

Special Strategies:**Aggressive Plus* - 150**

Description: An investment strategy, dominated by risk assets, which is aggressively positioned for long-term growth of capital while employing concentrated allocations to high convictions segments of the market.

Risk Level: Very Aggressive/ Speculative

Appropriate for: Investors with a very high-risk tolerance and a long-term time horizon, typically a minimum of 15 years. Investors selecting this strategy should understand the potential risk that comes with investing in potentially concentrated, high-conviction positions. This strategy is one step beyond our Aggressive strategy, in that it will include dedicated country or sector positions within the portfolio that may not be appropriate or suitable for all investors. These concentrated positions may increase portfolio volatility at any given time.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 150%¹

Equity Biased* - 150

Description: An investment strategy that is biased solely on equity investments.

Risk Level: Very Aggressive

Appropriate for: Investors with very high-risk tolerances. This strategy may also be appropriate for an investor looking to compliment an existing separate fixed income, cash, or alternative portfolio. Investors selecting this strategy must be willing to accept the possibility of a significant loss of value and very high volatility in their Baystate Wealth portfolios.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 150%¹

Equity & Alternatives* - 150

Description: An investment strategy that is specifically biased on equity investments and alternative asset classes.

Risk Level: Very Aggressive

Appropriate for: Investors who have a moderate to moderately high-risk tolerance and are looking to compliment a fixed income or protection strategy in a separate portfolio. The strategy may also be appropriate for an investor with a medium or long-term time horizon, typically 5-10+ years.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 150%¹

Fixed Income & Alternatives* - 100

Description: An investment strategy biased on non-equity investments and positioned to potentially generate income.

Risk Level: Moderately High

Appropriate for: Investors who have a conservative risk tolerance or are looking to offset risk in a separate equity-based portfolio. The strategy may also be appropriate for an investor with a short or medium-term time horizon, typically 2-5 years.

Max Volatility Relative to the MSCI All Country World Index (ACWI): 100%¹

Defensive Income - 25

Description: An investment strategy biased on preserving capital and generating income

Risk Level: Very Conservative

Appropriate for: Investors or savers with a focus on preserving capital or generating low levels of income relative to current short-term interest rates. This strategy is best suited for either short or potentially short-term periods of 1 year or less. Investors selecting this strategy must be biased on low risk and potentially low return investments, with the intention of performing in line with or better than short term treasury notes (with maturities less than 1 year).

Max Volatility Relative to the MSCI All Country World Index (ACWI): 25%¹

***Please note: The Equity Biased, Equity & Alternatives and Fixed Income & Alternatives portfolios are designed for investors who are looking to compliment an existing portfolio.**

¹Max relative volatility is measured by the trailing 12-month standard deviation of the portfolio divided by the trailing 12-month standard deviation of the MSCI ACWI.