



Investment Policy Statement Aggressive Growth

I. Introduction

This Investment Policy Statement (“IPS”) is intended to document discussions between _____ (“Client”) and STARCARE Associates, Inc. (“Advisor”) concerning management of Client’s account held with LPL Financial (“LPL Financial”). This IPS does not modify or amend the contract between LPL Financial, Advisor and Client, which is set forth in the documents signed and received by Client in connection with opening this account.

As set forth below, Client and Advisor have agreed that the investment objective for this account is “Aggressive Growth.” Client and Advisor will review the selection of this investment objective at least annually, to determine whether it continues to be consistent with Client’s investment objectives for this account.

Client acknowledges that there is a distinction between an investment objective and a guaranteed investment result, and that investment results cannot be guaranteed. Selection of an investment objective requires balancing of a client’s personal capacity to accept the risks of investment over an anticipated time horizon with the historical and reasonably anticipated future risks of investment in various asset classes, which may or may not be replicated in the future.

Ultimately, since the capacity to accept varying levels of risk is different for every client, it is always Client’s decision to maintain, increase or reduce the investment risk (and thus the investment objective) of this account, and Client may instruct that changes be effected at any time. Normally, however, evaluation of whether the overall risk level of the account continues to be appropriate for Client’s investment objectives will occur on an annual basis.

It is understood that investment results cannot be guaranteed, and that past performance of any security (including individual stocks and mutual funds), or any portfolio of securities is not indicative of future performance.

Client Initials: _____

II. Time Horizon for Investment

One of the most important considerations for selection of an investment objective and the selection of investments for an account is the time horizon for the account. Typically, it is important to attempt to estimate at least two periods of time: the period of time that an investor anticipates a greater focus on accumulating assets (during which income requirements are expected to be satisfied from other sources), as well as the period of time that an investor anticipates satisfying some portion of income requirements from investments. These periods are specific to each client, and can vary significantly. In addition, these periods can change based on unforeseen circumstances or changes in financial condition. If such events occur, Client will notify Advisor promptly.

For purposes of this IPS, Client anticipates a time horizon of between _____ and _____ years will exist prior to the anticipated need to satisfy some portion of income needs from this account. At the time that income begins to be funded from the account, Client will review with Advisor whether the investment objective for this account should be changed.

[If income will be taken immediately, discuss risks of using growth investments to satisfy income]

For purposes of this IPS, Client anticipates making [weekly / monthly / annual] withdrawals income of approximately \$_____ from this account for income requirements, beginning immediately. Client understands that, since there is no focus on generation of current income in an “Aggressive Growth” account, any current income needs necessarily would be derived from capital appreciation rather than from income oriented securities, and that taking income from an “Aggressive Growth” account can result in reducing the opportunity to recover investment losses that may result from market declines. Client also understands that reliance on capital appreciation to fund income may result in adverse tax consequences as a result of gains on sales of securities being taxed as short-term capital gains.

Client Initials: _____

III. Risks of Investment

Understanding the risks of investment and deciding what amount of risk an investor is prepared to accept also is specific to each client, and also can vary significantly. Every person has distinct attitudes about risk in many areas of their lives (for example, some people enjoy skydiving, while others will not even travel by plane), and investment is no

different. Evaluation of an acceptable risk level necessarily involves balancing the possibilities of “worst case” results against results that may be achieved if historical results of investment in various asset classes are replicated in the future.

Historically, risk has existed over the full range of the investment spectrum. For example, if historical rates of inflation are replicated in the future, the “worst case” long-term risk of investing solely in cash (a very conservative strategy) would be that growth in the value of the investments would not keep pace with inflation and purchasing power would be significantly reduced, even though the initial investment capital would be preserved (a simple example is that, 30 years ago, an entry level car could be purchased for under \$3,000, which would be a modest down payment today). By way of contrast, investment in highly speculative securities in new, unproven businesses or industries (a very aggressive strategy) historically has resulted in both very high returns for some investors and significant or total losses of investment (the “worst case”) for others.

Speaking generally, and in the context of long term investment, investment in securities that historically have achieved higher rates of return, such as growth-oriented equity securities, has historically increased the likelihood that growth in the value of the investments would occur, but this cannot be guaranteed over any period of time.

Client Initials: ____

IV. Investment Objective

Based on discussions between Client and Advisor concerning Client’s financial circumstances, time horizon, and risk tolerance, Client has selected Aggressive Growth as the investment objective for this account. Growth is expected to be derived from growth-oriented equity securities that appear to have the potential to experience appreciation in value.

Speaking generally, this is a more aggressive investment objective than “Growth” (which would involve a greater allocation to securities issued by larger, more established companies in more mature industries, which usually do not experience as rapid and high rates of growth as those that may be achieved by smaller companies in developing industries), and is for investors with a longer investment horizon.

Although exact percentages are likely to vary over time, the anticipated allocation in the account will be up to 100% in equities, a substantial portion of which may be foreign equities. There is no focus on generation of current income, so, to the extent that current income is expected to be derived from this account, Client understands that such income necessarily would be derived from capital appreciation rather than from income oriented securities.

Client Initials: ____

V. Investment Guidelines

Based on discussions between Client and Advisor, Client has instructed that the following investments may be purchased in the account.

- Individual Debt Instruments issued by approved government agencies
- Corporate Debt Instruments
- Open and Closed-End Publicly Traded Mutual Funds
(approved by LPL Financial's Research Department)
- Exchange Traded Funds (ETF's)
- Individual Equity Securities
- Money Market Funds
- Publicly and Non-publicly traded Real Estate Investment Trusts (REIT's)

Speaking generally, concentration of an account in a particular security or industry sector can increase the risk that unforeseen events could negatively affect the particular security or industry sector, which would negatively affect the account's performance.

Client Initials: ____

VI. Benchmarks for Investment Review

Based on discussions between Client and Advisor, Client has agreed that comparing the performance of the account to generally accepted industry "benchmarks" can be a useful exercise. Accordingly, the following benchmarks may be utilized for purposes of account monitoring and review:

- Large Cap Stocks: S&P 500, Russell 1000 Index
- Mid Cap Stocks: Russell Midcap Index
- Small Cap Stocks: Russell 2000 Index
- REITS: Dow Jones Wilshire REIT Index
- Global Stocks: MSCI-EAFE Index
- US Bonds: Lehman Brothers Aggregate Bond Index
- Global Bonds: Solomon Brothers World Bond Index

Client Initials: ____

VII. Account Monitoring

Advisor will monitor the investments in the account and the overall account performance. Because the benefits of diversification historically have been achieved over the long term, short term market fluctuation will not necessarily result in a recommendation by Advisor to switch the investments or to consider changing the investment objective. On at least an annual basis, Advisor will evaluate whether the account should be rebalanced to bring the relative percentages closer to the diversification allocation discussed above.

Client also will monitor the account, and will receive regular periodic statements of the account, as well as confirmations of every transaction in the account, to assist with such monitoring. Client acknowledges that it is his/her responsibility to review transaction confirmations and periodic account statements upon receipt, and to promptly notify Advisor of any questions or concerns arising from such review. Client will notify Advisor of any changes to financial circumstances, time horizon, or risk tolerance.

Client Initials: ____

VIII. Acknowledgement

By [his/her] signature below, Client acknowledges receipt of this IPS and discussion of its contents with Advisor.

(Client)

Date

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