**Investment Policy Statement (IPS)**

**Prepared for (Household):**    
**Account(s) & Model(s)**

**Account Model**

**\*If custom model, attach allocation to this IPS, specifying the account(s) to which it applies**

1. **Purpose & Objectives**

This Investment Policy Statement (IPS) establishes the guidelines and expectations for managing the investment portfolios specified above. The objectives of this IPS are to:

* Define investment goals and risk tolerance
* Establish an asset allocation strategy
* Set guidelines for investment selection and monitoring
* Outline roles and responsibilities of all parties

1. **Investor Profile**

**A. Client Information**

* Name:
* Age:
* Portfolio/Account Purpose:
* Investment Time Horizon: Short (0-3 years) / Medium (3-10 years) / Long (10+ years)
  + Other:
* Short Term Liquidity Needs: in the next 12 months
* Tax Status (account):
  + Tax Bracket:
* Legal Constraints:

* Unique Circumstances

(Anything unique that would limit investment decisions being made in your portfolio):

**B. Risk Tolerance**  
☐ Conservative  
☐ Moderately Conservative  
☐ Moderate  
☐ Moderately Aggressive  
☐ Aggressive

**C. Investment Objective**  
☐ Capital Preservation  
☐ Inflation Protection

☐ Income Generation  
☐ Growth  
☐ Speculation

**D. Return Objectives**

Model Target Return: \_\_\_\_\_\_

Model Target Risk: \_\_\_\_\_\_ (**Unit of Measurement**)

\*No returns or risk are guaranteed nor are they expected to be achieved in any specific time period. Target returns are meant to be averages over longer periods of time that have historically occurred. Past returns are no indicator of future results. Targets can serve as guides for comparing the risk/return of a portfolio to other portfolios, evaluating the portfolio with regard to accepted risk of loss and goals of returns, evaluating progress towards a financial goal, and as a metric for investment selection.

**3. Asset Allocation & Portfolio Strategy**

**A. Target Asset Allocation**  
The portfolio will be allocated as follows, subject to periodic review:

\***Please see attached portfolio allocation. (or provide percentage breakdown here)**

**B. Rebalancing Guidelines**

* The portfolio will be reviewed periodically to ensure alignment with target allocations.
  + At least **XXXXXX** (annually, quarterly, monthly, weekly, daily)
* Rebalancing will occur (unless the trade would be under **$XX** value):

☐ When a model holding drifts by more than **XX%** from the broad asset class

☐ When a model holding drifts by more than **XX%** from the sub asset class

☐ On a **XXXXXX** basis. (annual, quarterly, monthly, weekly, daily)

☐ At least **XXXXXX**. (biennially, annually, quarterly, monthly)

☐ Upon request.

☐ Special: Please review the specific portfolio description for rebalancing criteria.

**C. Custom Criteria**

**4. Prohibited Investments & Restrictions**

**A. List of Prohibitions**

**B. Rationale for Prohibitions**

**5. Performance Monitoring & Review**

* Performance reporting will be provided by the account custodian.
* Custodian reports will be considered the authoritative and accurate reporting method even if other methods are utilized for specific tracking or financial planning purposes (eMoney, Orion, etc.)
* Portfolio performance will be reviewed with the client and the continued accuracy and appropriateness of the investment policy evaluated on at least an annual basis.
* Benchmark comparisons:
  + Please refer to the performance report itself for the benchmarks used, but most commonly the benchmarks are:
  + **Equities:** Domestic: S&P 500, International: MSCI World
  + **Fixed Income:** Barclays U.S. Aggregate Bond Index
  + **Allocation-based:** An allocation based weighting of the above benchmarks tailored to your portfolio’s allocation (70/30 portfolio with a benchmark composed of 70% S&P 500 weighting and 30% Barclays Aggrate)
* Reports will be provided by the custodian on a monthly basis (or quarterly basis if no trades or transactions take place in a particular month).
* Although other forms of reports may be produced to highlight specific time periods or progress towards goals, only the custodial performance reports will be considered authoritative.

**6. Roles & Responsibilities**

**Client Responsibilities**

* Provide accurate and up-to-date financial information.
* Notify the advisor of any significant life changes that may impact investment strategy.
* Review the statements from the custodian to ensure accuracy and notify the advisor if any errors or discrepancies are found.

**Advisor Responsibilities**

* Implement and monitor the investment strategy in accordance with this IPS.
* Facilitate the delivery of regular performance reports and make recommendations as necessary.
* Ensure compliance with applicable laws and fiduciary duties.
* Serve as a fiduciary advisor to the client in the creation and implementation of their investment policy.

**Other Notes**

* XYPN Invest does not vote proxies

**7. Signatures & Acknowledgment**

I acknowledge that I have reviewed and understand this Investment Policy Statement. I agree to adhere to the guidelines outlined herein.

**Client Signature:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **Date:**

Name:

**Co-Client Signature:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **Date:**

Name:

**Co-Client Signature:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **Date:**

Name:

Client   
**Advisor Representative:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_