2018 National Financial Capability Study
Investor Survey Instrument

Note:
• Changes from the 2015 NFCS Investor Survey are footnoted in this document.

Sample Characteristics:
• N = 2,000 investors who completed the 2018 NFCS State-by-State Survey
• All respondents screened to have:
  – Investments outside of retirement accounts
  – Primary or shared decision-making responsibility for investments in their household

Coding Notes:
• For all questions in the survey:
  – Code 98 = Don’t know
  – Code 99 = Prefer not to say


Z) Thank you very much for participating in this research.

- Please be assured that all of your answers will be completely ANONYMOUS and CONFIDENTIAL. Therefore, please try to answer these questions as openly and honestly as possible.

A) [SECTION A: SCREENING]

A1) Which of the following best describes the situation in your household with regards to investments?

I am the primary decision-maker when it comes to making investments for my household ............................................................... 1
I share the decision-making responsibility when it comes to making investments for my household ............................................................... 2
I do not participate in decisions when it comes to making investments for my household ............................................................... 3
Don’t know ........................................................................................................ 98
Prefer not to say ................................................................................................. 99

[IF Q.A1 = 3, 98, 99 (NOT DM/DK/PNTS); TERMINATE & SKIP TO QTERM]

A2) Do you have any investments in retirement accounts (e.g., 401(k), IRA, etc.)?

Yes ................................................................................................................................. 1
No ................................................................................................................................. 2
Don’t know ................................................................................................................. 98
Prefer not to say ........................................................................................................ 99

A3) Not including retirement accounts, do you have any investments in stocks, bonds, mutual funds, or other securities?

Yes ................................................................................................................................. 1
No ................................................................................................................................. 2
Don’t know ................................................................................................................. 98
Prefer not to say ........................................................................................................ 99

[IF Q.A3 = 2, 98, 99 (NO/DK/PNTS); TERMINATE & SKIP TO QTERM]
# B) [SECTION B: INVESTMENTS]

# B1) The following questions are about your investments that are not in retirement accounts. We will refer to these as “non-retirement accounts.”

# B2) Which of the following types of investments do you currently own in non-retirement accounts?


<table>
<thead>
<tr>
<th>B2_1)</th>
<th>Individual stocks</th>
<th>Yes</th>
<th>No</th>
<th>Don't Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2_2)</td>
<td>Individual bonds</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_3)</td>
<td>Mutual funds</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_4)</td>
<td>Exchange Traded Funds (ETFs)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_5)</td>
<td>Annuities (fixed, indexed, or variable)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_7)</td>
<td>Commodities or futures</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_20)</td>
<td>Whole life insurance (not term life insurance)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_21)</td>
<td>REITs</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_22)</td>
<td>Options</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_23)</td>
<td>Microcap stocks or penny stocks</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>B2_24)</td>
<td>Structured notes</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

# B3) In the past 12 months, how many times have you bought or sold investments in non-retirement accounts?

None .............................................................................................................................. 1
1 to 3 times .................................................................................................................. 2
4 to 10 times ................................................................................................................ 3
11 times or more ......................................................................................................... 4
Don’t know .................................................................................................................. 98
Prefer not to say ......................................................................................................... 99

---

2 New question.
3 New question.
4 New question.
5 New question.
6 New question.
# B4) What is the approximate total value of all of your investments in non-retirement accounts?

- Less than $2,000 ................................................................. 1
- $2,000 to less than $5,000 .................................................... 2
- $5,000 to less than $10,000 ................................................. 3
- $10,000 to less than $25,000 .............................................. 4
- $25,000 to less than $50,000 .............................................. 5
- $50,000 to less than $100,000 ........................................... 6
- $100,000 to less than $250,000 ....................................... 7
- $250,000 to less than $500,000 ....................................... 8
- $500,000 to less than $1,000,000 ................................... 9
- $1,000,000 or more .................................................. 10
- Don’t know ........................................................................ 98
- Prefer not to say .............................................................. 99

# B5) Do any of your investment accounts allow you to make purchases on margin?

- Yes ......................................................................................... 1
- No ......................................................................................... 2
- Don’t know ............................................................................ 98
- Prefer not to say .............................................................. 99

[IF Q.B5 = 1 (YES), ASK; OTHERWISE SKIP TO Q.B21]

# B6) Have you made any securities purchases on margin?

- Yes ......................................................................................... 1
- No ......................................................................................... 2
- Don’t know ............................................................................ 98
- Prefer not to say .............................................................. 99

[IF Q.B6 = 1 (YES), ASK; OTHERWISE SKIP TO Q.B21]

# B20) Have you ever had a margin call?

- Yes ......................................................................................... 1
- No ......................................................................................... 2
- Don’t know ............................................................................ 98
- Prefer not to say .............................................................. 99

# B21) Some investment firms offer you the option to use your investment accounts as collateral for a loan or line of credit. You cannot use the borrowed money to purchase securities, but you can use it for other purposes, such as buying a car or renovating a home.

Do you have this type of loan or line of credit?

- Yes ......................................................................................... 1
- No ......................................................................................... 2
- Don’t know ............................................................................ 98
- Prefer not to say .............................................................. 99

---

7 New question.
8 New question.
B10) Which of the following statements comes closest to describing the amount of financial risk that you are willing to take when you save or make investments?

1. Take substantial financial risks expecting to earn substantial returns
2. Take above average financial risks expecting to earn above average returns
3. Take average financial risks expecting to earn average returns
4. Not willing to take any financial risks
5. Don’t know
6. Prefer not to say

B11) How much of your non-retirement portfolio is invested in stocks or mutual funds that contain stocks?

1. More than half
2. Less than half
3. None
4. Don’t know
5. Prefer not to say

B22) Do you currently rely on your investments to cover any of your living expenses?

1. Yes
2. No
3. Don’t know
4. Prefer not to say

B23) Have you heard of cryptocurrencies (e.g., Bitcoin, Ethereum, or Litecoin)?

1. Yes
2. No
3. Don’t know
4. Prefer not to say

[IF Q.B23 = 1 (YES), ASK; OTHERWISE SKIP TO Q.C20]

B24) In your opinion, how risky are cryptocurrencies as an investment?

1. Not at all risky
2. Slightly risky
3. Moderately risky
4. Very risky
5. Extremely risky
6. Don’t know
7. Prefer not to say

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9 New question.
10 New question.
11 New question.
# B25. Have you invested in cryptocurrencies, either directly or through a fund that invests in cryptocurrencies?

Yes.............................................................................................................................................1
No ..............................................................................................................................................2
Don’t know ...............................................................................................................................98
Prefer not to say .........................................................................................................................99

# B26. Are you considering investing in cryptocurrencies in the future?

Yes.............................................................................................................................................1
No ..............................................................................................................................................2
Don’t know ...............................................................................................................................98
Prefer not to say .........................................................................................................................99

12 New question.
13 New question.
# C) [SECTION C: INTERMEDIARIES]

# C20) How often do you make investment decisions for your non-retirement accounts in the following ways?

[RANDOMIZE]

<table>
<thead>
<tr>
<th>C20_1</th>
<th>I let a professional choose investments for me</th>
<th>Never</th>
<th>Sometimes</th>
<th>Frequently</th>
<th>Don't Know</th>
<th>Prefer not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>C20_2</td>
<td>I discuss investment options with a professional then make the decisions myself</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C20_3</td>
<td>I conduct my own research (e.g., read articles, go to websites, watch financial news) then make the decisions myself</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C20_4</td>
<td>I use a web-based, online tool that chooses investments for me</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C20_5</td>
<td>I use a mobile app that chooses investments for me</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

[IF Q.C20_1 = 2 OR 3 (SOMETIMES/FREQ LET PROF. CHOOSE), ASK; OTHERWISE SKIP TO Q.C22]

# C21) When a professional chooses investments for you, does he or she need your approval for each individual transaction?

Yes................................................................................................................................. 1
No ................................................................................................................................. 2
Don’t know .................................................................................................................... 98
Prefer not to say ............................................................................................................. 99

# C22) How often do you buy or sell investments for your non-retirement accounts in the following ways?

[DO NOT RANDOMIZE]

<table>
<thead>
<tr>
<th>C22_1</th>
<th>I contact a specific person (my financial advisor) and ask them to make the sale or purchase</th>
<th>Never</th>
<th>Sometimes</th>
<th>Frequently</th>
<th>Don't Know</th>
<th>Prefer not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>C22_2</td>
<td>I call my financial firm and speak to an available representative</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C22_3</td>
<td>I place orders online through a website</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C22_4</td>
<td>I place orders through a mobile app</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

14 New questions. These replace C1 and C11 from 2015.
15 New question.
16 New questions.
C23)17 Do you pay any of the following types of fees for investing in your non-retirement accounts?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Don't Know</th>
<th>Prefer not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>C23_1) Fees for investment advice</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C23_2) Fees or commissions for trades</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C23_3) Mutual fund fees or expenses</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>C23_4) Account service fees</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

C24)18 Considering all the various types of fees, approximately what percentage of your invested assets do you pay annually in fees for your non-retirement accounts?

- Do not pay any fees ................................................................. 1
- Less than 0.5% ............................................................................... 2
- 0.5% to less than 1% ..................................................................... 3
- 1% to less than 2% ........................................................................ 4
- 2% to less than 4% ........................................................................ 5
- 4% or more ..................................................................................... 6
- Don’t know .................................................................................... 98
- Prefer not to say ........................................................................... 99

C25)19 How confident are you in the answer you just provided?

<table>
<thead>
<tr>
<th></th>
<th>Not At All Confident</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>Extremely Confident</th>
<th>10</th>
<th>Don’t Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>98</td>
<td>99</td>
<td></td>
</tr>
</tbody>
</table>

C26)20 A trusted contact is a person you authorize your investment firm to contact if the firm has trouble reaching you or suspects financial exploitation.

Have you authorized a trusted contact for any of your investment accounts?

- Yes ........................................................................................................ 1
- No .......................................................................................................... 2
- Don’t know ........................................................................................... 98
- Prefer not to say .................................................................................. 99

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17 New questions. These replace C16 from 2015.
18 New question. Replaces C14 from 2015.
19 New question. Replaces C14 from 2015.
20 New question.
# C7) Have you ever checked with a state or federal regulator regarding the background, registration, or license of a financial professional?

Yes.................................................................................................................................1
No ..................................................................................................................................2
Don’t know ..................................................................................................................98
Prefer not to say ..........................................................................................................99
# D) [SECTION D: SECURITIES MARKET]

# D1) How confident are you that U.S financial markets...

[RANDOMIZE]

|                      | Not At All | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Extremely | Don't | Prefer |
|----------------------|------------|---|---|---|---|---|---|---|---| Confident | Know  | Not to |
| D1_1) Offer good long-term opportunities for investors | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10       | 98    | 99     |
| D1_2) Are fair to all investors                  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10       | 98    | 99     |

# D2) What do you expect the approximate average annual return of the S&P 500 stock index to be over the next 10 years (without adjusting for inflation)?

Less than 0% (a negative return) .................................................................................. 1
0% to 4.9%....................................................................................................................... 2
5% to 9.9%....................................................................................................................... 3
10% to 14.9%.................................................................................................................... 4
15% to 19.9%.................................................................................................................... 5
20% or more....................................................................................................................... 6
Don’t know ..................................................................................................................... 98
Prefer not to say ........................................................................................................... 99

# D3) Over the next 12 months, how well do you expect your portfolio of investments to perform?

[RANDOMIZE PUNCHES 1 AND 3]

Worse than the market as a whole................................................................................. 1
About the same as the rest of the market as a whole ..................................................... 2
Better than the market as a whole ................................................................................. 3
Don’t know ..................................................................................................................... 98
Prefer not to say ........................................................................................................... 99

# D20)21 When the stock market dropped by 10% in early February of this year, what did you do in response?

[RANDOMIZE PUNCHES 1 & 2]

Bought stocks or stock funds ......................................................................................... 1
Sold stocks or stock funds ............................................................................................. 2
Neither .............................................................................................................................. 3
Don’t know ..................................................................................................................... 98
Prefer not to say ........................................................................................................... 99

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21 New question.
# D21)22 If the stock market were to drop by 20% over a short period of time, what would you do in response?

[RANDOMIZE PUNCHES 1 & 2]

- Buy stocks or stock funds ................................................................. 1
- Sell stocks or stock funds ........................................................................ 2
- Neither ........................................................................................................ 3
- Don’t know ................................................................................................. 98
- Prefer not to say ......................................................................................... 99

# D4) How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = “Strongly Disagree,” 7 = “Strongly Agree,” and 4 = “Neither Agree Nor Disagree”. You can use any number from 1 to 7.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>2</th>
<th>3</th>
<th>Neither Agree nor Disagree</th>
<th>5</th>
<th>6</th>
<th>Strongly Agree</th>
<th>Don’t Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am worried about being victimized by investment fraud</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

\[
\text{22 New question.}
\]
E) [SECTION E: DISCLOSURE & REGULATION]

E1) How confident are you that U.S. financial markets are effectively regulated to protect investors from fraud and abusive sales practices?

| Not At All | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Extremely | Don't | Prefer Not |
|------------|---|---|---|---|---|---|---|---|---| Confident 10 | Know | to Say |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 98 | 99 |

E2) Do you feel that investment industry disclosures regarding topics such as fees, risks of investing, and potential conflicts of interest are adequate?

- Yes ................................................................................................................................. 1
- No ................................................................................................................................. 2
- Don’t know .................................................................................................................. 98
- Prefer not to say .......................................................................................................... 99

E5) What do you believe is the purpose of disclosures?

- Protecting investors .................................................................................................... 1
- Protecting the institutions that manage investments .................................................. 2
- Both ............................................................................................................................... 3
- Neither .......................................................................................................................... 4
- Don’t know .................................................................................................................. 98
- Prefer not to say .......................................................................................................... 99

E6) By which method would you prefer to receive mandatory disclosures regarding your investments?

- In-person meetings with a broker or advisor .............................................................. 1
- Paper documents physically mailed to you ............................................................... 2
- Documents delivered to you electronically by email .................................................. 3
- Documents that you access on the Internet (not via email) ....................................... 4
- None of the above ...................................................................................................... 5
- Don’t know .................................................................................................................. 98
- Prefer not to say .......................................................................................................... 99

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23 Changed format of question from a grid with multiple items in 2015 to a single question in 2018.
### F) [SECTION F: INFORMATION SOURCES]

#### F1) Which of the following information sources do you use when making an investment decision?

[RANDOMIZE – ALWAYS PAIR F1_1/F1_2 TOGETHER IN THAT ORDER]

<table>
<thead>
<tr>
<th>Source</th>
<th>Yes</th>
<th>No</th>
<th>Don’t Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1_1) Stockbrokers</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_2) Financial advisors other than stockbrokers</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_3) Information from the company you are investing in (e.g., annual reports, company websites)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_4) Information from brokerage firms, mutual fund companies, or other financial services companies (e.g., research reports, brochures, newsletters, seminars, websites)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_5) The media (i.e., TV, radio, newspapers, magazines, online news sources and financial information websites)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_6) Industry regulators (e.g., FINRA, SEC, state securities regulators)</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_7) Investment clubs or investor membership organizations</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_8) Your employer</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F1_9) Friends, colleagues, or family members</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

#### F2) In the past 12 months, which of the following have you used for information about investing?

[RANDOMIZE]

<table>
<thead>
<tr>
<th>Source</th>
<th>Yes</th>
<th>No</th>
<th>Don’t Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2_1) Brochures or newsletters</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_2) Newspapers, magazines, or books</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_5) Television/radio programs</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_6) Free online services, websites, or blogs</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_20) Seminars or group meetings</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_21) Paid subscription services</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F2_22) Social media</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
</tbody>
</table>

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25 Minor wording changes (from “analyst reports” in 2015 to “research reports” in 2018).
26 Minor wording changes (added “websites or blogs”).
27 New question. Replaces F2_3 & F2_4 from 2015.
28 New question.
29 New question.
# F3) Have you heard of any of the following consumer information tools?

[RANDOMIZE]

<table>
<thead>
<tr>
<th>Tool</th>
<th>Yes</th>
<th>No</th>
<th>Don't Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>F3_1) BrokerCheck</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_2) IAPD (Investment Adviser Public Disclosure) database</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_3) EDGAR (Electronic Data-Gathering, Analysis, and Retrieval) database</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_4) CarFax</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_5) FreeCreditReport.com</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_6) AnnualCreditReport.com</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_7) SmartCheck</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
</tr>
<tr>
<td>F3_8) Investor.gov</td>
<td>1</td>
<td>2</td>
<td>98</td>
<td>99</td>
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</tbody>
</table>

[IF Q.F3_1 = 1 (YES, HEARD OF BROKERCHECK), ASK; OTHERWISE SKIP TO Q.F5]

# F4) Have you ever used BrokerCheck?

Yes........................................................................................................................................1
No ...........................................................................................................................................2
Don’t know ..........................................................................................................................98
Prefer not to say ....................................................................................................................99

[IF Q.F3_4 = 1 (YES, HEARD OF CARFAX), ASK; OTHERWISE SKIP TO Q.F20]

# F5) Have you ever used CarFax?

Yes........................................................................................................................................1
No ...........................................................................................................................................2
Don’t know ..........................................................................................................................98
Prefer not to say ....................................................................................................................99

[IF Q.F3_8 = 1 (YES, HEARD OF INVESTOR.GOV), ASK; OTHERWISE SKIP TO Q.G1]

# F20) Have you ever used Investor.gov?

Yes........................................................................................................................................1
No ...........................................................................................................................................2
Don’t know ..........................................................................................................................98
Prefer not to say ....................................................................................................................99
# G) [SECTION G: QUIZ & SELF-PERCEPTION]

# G1) How comfortable are you when it comes to making investment decisions?

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Don't Know</th>
<th>Prefer Not to Say</th>
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<tr>
<td>Not At All Comfortable</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Extremely Comfortable</td>
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</tbody>
</table>

# G2) On a scale from 1 to 7, where 1 means very low and 7 means very high, how would you assess your overall knowledge about investing?

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>Don't Know</th>
<th>Prefer Not to Say</th>
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<tr>
<td>Very Low</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very High</td>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

# G20) How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = “Strongly Disagree,” 7 = “Strongly Agree,” and 4 = “Neither Agree Nor Disagree.” You can use any number from 1 to 7.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>Don't Know</th>
<th>Prefer Not to Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have access to the information I need to make investment decisions</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

# G3) You will now see a set of questions regarding various aspects of investing. This is not a test, and you will not be “graded” on your responses. If you do not know an answer or are not sure, please feel free to indicate that.

# G4) If you buy a company’s stock…

- You own a part of the company ................................................................. 1
- You have lent money to the company ...................................................... 2
- You are liable for the company’s debts ................................................. 3
- The company will return your original investment to you with interest .......... 4
- Don’t know ................................................................................................ 98
- Prefer not to say ..................................................................................... 99

---

31 New question.
# G5) If you buy a company’s bond…

- You own a part of the company ................................................................. 1
- You have lent money to the company ..................................................... 2
- You are liable for the company’s debts .................................................. 3
- You can vote on shareholder resolutions ............................................. 4
- Don’t know .............................................................................................. 98
- Prefer not to say ....................................................................................... 99

# G6) If a company files for bankruptcy, which of the following securities is most at risk of becoming virtually worthless?

- The company’s preferred stock .............................................................. 1
- The company’s common stock .............................................................. 2
- The company’s bonds ............................................................................ 3
- Don’t know .............................................................................................. 98
- Prefer not to say ....................................................................................... 99

# G7) In general, investments that are riskier tend to provide higher returns over time than investments with less risk.

- True ........................................................................................................ 1
- False ........................................................................................................ 2
- Don’t know ............................................................................................. 98
- Prefer not to say ....................................................................................... 99

# G21)32 The past performance of an investment is a good indicator of future results.

- True ........................................................................................................ 1
- False ........................................................................................................ 2
- Don’t know ............................................................................................. 98
- Prefer not to say ....................................................................................... 99

# G8) Over the last 20 years in the US, the best average returns have been generated by:

- Stocks .................................................................................................... 1
- Bonds ..................................................................................................... 2
- CDs .......................................................................................................... 3
- Money market accounts ......................................................................... 4
- Precious metals ....................................................................................... 5
- Don’t know ............................................................................................. 98
- Prefer not to say ....................................................................................... 99

32 New question.
# G22) What is the main advantage that index funds have when compared to actively managed funds?

- Index funds are generally less risky in the short term ........................................ 1
- Index funds generally have lower fees and expenses ........................................ 2
- Index funds are generally less likely to decline in value .................................... 3
- Don’t know ........................................................................................................ 98
- Prefer not to say .................................................................................................. 99

# G11) Which of the following best explains why many municipal bonds pay lower yields than other government bonds?

- Municipal bonds are lower risk ........................................................................ 1
- There is a greater demand for municipal bonds .................................................. 2
- Municipal bonds can be tax-free ......................................................................... 3
- Don’t know ........................................................................................................ 98
- Prefer not to say .................................................................................................. 99

# G12) You invest $500 to buy $1,000 worth of stock on margin. The value of the stock drops by 50%. You sell it. Approximately how much of your original $500 investment are you left with in the end?

- $500 .................................................................................................................. 1
- $250 .................................................................................................................... 2
- $0 ......................................................................................................................... 3
- Don’t know ........................................................................................................ 98
- Prefer not to say .................................................................................................. 99

# G13) Which is the best definition of “selling short?”

- Selling shares of a stock shortly after buying it .................................................. 1
- Selling shares of a stock before it has reached its peak ........................................ 2
- Selling shares of a stock at a loss ........................................................................ 3
- Selling borrowed shares of a stock ..................................................................... 4
- Don’t know ........................................................................................................ 98
- Prefer not to say .................................................................................................. 99

# G23) If you own a call option with a strike price of $50 on a security that is priced at $40, and the option is expiring today, which of the following is closest to the value of that option?

- $10 ....................................................................................................................... 1
- $0 ......................................................................................................................... 2
- -$10 ..................................................................................................................... 3
- Don’t know ........................................................................................................ 98
- Prefer not to say .................................................................................................. 99

33 New question.
34 New question.
H) [SECTION H: MISCELLANEOUS QUESTIONS]

H1) There are two questions left, and the survey will be complete.

H2) Have you ever read customer reviews online (e.g. Yelp, TripAdvisor) before deciding to eat at a particular restaurant?

Yes................................................................................................................................................1
No ..................................................................................................................................................2
Don’t know ...................................................................................................................................98
Prefer not to say ...............................................................................................................................99

H3) Have you ever purchased a used car?

Yes................................................................................................................................................1
No ..................................................................................................................................................2
Don’t know ...................................................................................................................................98
Prefer not to say ...............................................................................................................................99

[POINT OF COMPLETE]