

Asset Allocation

# Investor Risk Profile Scoring System

To help you determine which Asset Allocation Model corresponds to your risk profile, use this scoring system based on your responses to the Ohio National risk tolerance questionnaire.

Like the questionnaire itself, the scoring system is divided into two distinct sections:

1. Time horizon score
2. Risk tolerance score

Each section is scored separately. Use both scores to choose a Model.

*Asset allocation does not assure a profit and does not protect against a loss in declining markets.*

## Time Horizon Score

The time horizon portion of the scoring is taken from questions 1 and 2. The scores on these questions help determine the time horizon level. The time horizon level is used to assign various time horizon factors.

The table below shows the point value of each answer choice in the time horizon section:

Question:	1	2
RESPONSE A	1	0
RESPONSE B	3	2
RESPONSE C	6	4
RESPONSE D	9	5
RESPONSE E	11	6

TIME HORIZON SCORE

The scores from both time horizon questions are added together, and the total score falls into one of the following time horizon ranges.

Each investor is assigned a time horizon level. In this project, the time horizon levels are:

- Time horizon score between 1 and 2
- Time horizon score between 3 and 5
- Time horizon score between 6 and 7
- Time horizon score between 8 and 10
- Time horizon score of 11 or more

Each time horizon level gives the investor access to certain Models and restricts the investor's access to others. Investors who score into the shorter time horizon levels are not recommended for the more aggressive Models. This is consistent with the belief that individuals with shorter-term horizons should hold more conservative investments.

A more detailed description of the scoring process follows. The scoring grid provides a summary of the calculations that follow.

## Risk Tolerance Score

The risk tolerance portion of the scoring is taken from questions 3 through 9. A point value corresponds to each response to help quantify the risks involved in investing. The highest points are awarded to the most aggressive answer choice. The risk tolerance score ranges from zero (most conservative) to 100 (most aggressive).

The points assigned to each risk tolerance question are as follows:

Question:	3	4	5	6	7	8	9
RESPONSE A	0	0	0	0	0	0	0
RESPONSE B	4	5	6	4	4	6	4
RESPONSE C	7	10	12	9	7	12	7
RESPONSE D	11	13	0	15	11	0	11
RESPONSE E	16	0	0	0	16	0	16

RISK TOLERANCE SCORE

NOT A DEPOSIT	NOT FDIC INSURED	NOT GUARANTEED BY ANY BANK
NOT INSURED BY ANY GOVERNMENT AGENCY		MAY LOSE VALUE

CONTINUED ON BACK

## Model Recommendation

This scoring grid facilitates the final Model recommendation. To use the scoring grid, find the time horizon level on the top (horizontal) axis and the risk tolerance score on the left (vertical) axis. The intersection of these two points is the recommended Model.

Risk Tolerance Score	Time Horizon Level				
	1-2	3-5	6-7	8-10	11+
0-13	1	1	1	1	1
14-35	1	2	2	2	2
36-56	1	2	3	3	3
57-82	1	2	3	4	4
83-100	1	2	3	4	5

Please refer to the Portfolio Descriptions and the fund prospectus for more information about the specific portfolios.

**MODEL 1: Conservative**  
**MODEL 2: Moderately Conservative**  
**MODEL 3: Balanced**  
**MODEL 4: Moderate Growth**  
**MODEL 5: Growth**

PRINT OWNER NAME

REGISTERED REPRESENTATIVE SIGNATURE

OWNER SIGNATURE

DATE



Issued by:  
National Security Life and Annuity Company  
100 Court Street  
Binghamton, NY 13901  
www.nslac.com

Administrative Office:  
Post Office Box 5363  
Cincinnati, OH 45201  
877.446.6060

Distributed by:  
Ohio National Equities, Inc.  
Member NASD  
One Financial Way  
Cincinnati, OH 45242  
513.794.6100

Form 7209-NSLAC 7-10

*Variable annuities are sold by prospectuses, which contain more complete information including fees, contingent deferred sales charges and other costs that may apply. **Contact your registered representative or visit [www.nslac.com](http://www.nslac.com) to obtain current prospectuses. Please read the product and fund prospectuses carefully before you invest or send money. Investors should consider the investment objectives, strategies, risk factors, charges and expenses of the underlying variable portfolios carefully before investing. The fund prospectus contains this and other information about the underlying variable portfolios.***

*Early withdrawals or surrenders may be subject to surrender charges (contingent deferred sales charges). Withdrawals may also be subject to ordinary income tax and, if taken prior to age 59½, a 10 percent federal tax penalty may apply. For tax purposes only, withdrawals will come first from any gain in the contract. Federal and state tax laws in this area are complex and subject to change. Consult your personal tax adviser on all tax matters. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount. Guarantees based upon the claims-paying ability of The National Security Life and Annuity Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios.*

*Variable annuities are long-term investment vehicles designed to accumulate money on a tax-deferred basis for retirement purposes. Upon retirement, variable annuities may pay out an income stream of a series of payments or a lump sum. If you die during the accumulation or payout phase, your beneficiary may be eligible to receive any remaining contract value.*

*There is no additional tax-deferral benefit for contracts purchased in an Individual Retirement Account (IRA) or other tax-qualified plan because these are already afforded tax-deferred status. An annuity should only be purchased in an IRA or qualified plan if you value some of the other features of the annuity and are willing to incur any additional costs associated with the annuity.*