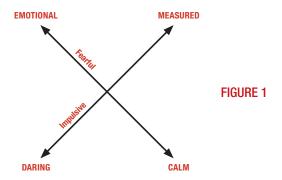


RISK TYPE COMPASS™EXPLAINED

HOW IS RISK MEASURED?

The Risk Type Compass assessment uses two underlying dimensions of personality. The first dimension, Fear, ranges from Emotional (i.e., anxious and apprehensive) to Calm (i.e., insensitive to danger or anxiety). The second dimension, Impulsivity, ranges from Measured (i.e., controlled, organized, and systematic) to Daring (i.e., reckless and unrestrained) (Figure 1).



HOW IS THE RISK TYPE COMPASS BUILT?

An individual's Risk Type is calculated by converting their raw scores on the two dimensions above to percentile scores. These two scores determine where the dot will be placed on the Risk Type Compass. The Risk Type Compass dot is a reference point; candidates within a range of scores may have a dot appearing in the same location (Figure 2).

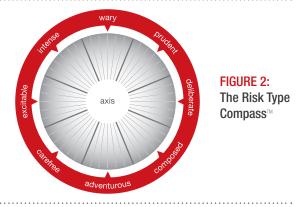
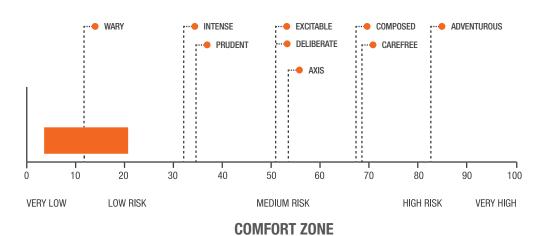


FIGURE 3: Risk Tolerance Index (RTi)

HOW IS THE RISK TOLERANCE INDEX (RTI) BUILT?

An individual's RTi is calculated by converting their raw scores on the two dimensions above to t-scores. These two t-scores are then converted to a 1-100 scale for ease of interpretation. Individuals with similar scores on the RTi, may have different underlying scores on the two dimensions (Figure 3).



HOW ARE THESE TWO MEASURES RELATED?

Both the RTC dot and the RTi score use the same underlying dimensions of personality. However, they are subjected to two different standardization and computational processes. Therefore, variation in RTi score may occur even with an identical RTC dot placement. You can think of the RTC dot as a general "geographical" result and the RTi as a precise score along a familiar continuum (0-100).





