

## Follow - Leader Risk Score Disclosure

The MorningStar Portfolio Risk Score assesses risk and diversification across many asset classes. Their methodology assesses a wide range of securities and investment products. At Follow, we currently offer only one slice of the overall market: US equities that are listed in the Russell 3000 Index, and are available in fractional shares from our brokerage partner, Alpaca Securities LLC. When users SuperFollow a Leader, Follow RIA creates a follow account that tracks the RIA's SuperFollow Account from a given Leader. In addition to the equities listed above, the accounts are also permitted to trade in Exchange Traded Funds (ETFs) and Exchange-Traded Notes (ETNs) which are included in the MorningStar Portfolio Risk Score. We currently do not offer options trading or cryptocurrency investing.

As a result, we have calibrated our risk score labels on a spectrum to reflect what constitutes conservative vs. aggressive investing on the Follow platform based on criteria established by Morningstar.

### Morningstar's Portfolio Risk Scores and accompanying labels:

22.5	-	Conservative
40	-	Moderately Conservative
60	-	Moderate
77.5	-	Moderately Aggressive
92.5	-	Aggressive

Follow's Investment Styles (with Morningstar risk scores):

#### **Conservative (75 - 100)**

A Leader with this investment style is focused on investing that seeks to avoid risk knowing returns will be deprioritized. As an example, Morningstar's Portfolio Risk Score would give a portfolio that was made up of 60% DFSD (DFA Dimensional Short-Duration Fixed Income ETF) and 40% APPL (Apple) a score of 59.

#### **Moderate (100 - 130)**

A Leader with this investment style is focused on investing that looks to slightly prioritize risk reduction over returns. As an example, Morningstar's Portfolio Risk Score would give a portfolio that was made up of 60% P&G (Procter & Gamble) and 40% AT&T (AT&T) a score of 107.

#### **Balanced (130 - 170)**

A Leader with this investment style is focused on investing that is balanced in an approach to returns and conservatism on risks. As an example, Morningstar's Portfolio Risk Score would give a portfolio that was made up of 60% HD (Home Depot) and 40% DIS (Walt Disney) would have a score of 131.

#### **Leaning-In (170 - 200)**

A Leader with this investment style is focused on investing that looks to slightly prioritize returns over risk reduction. As an example, Morningstar's Portfolio Risk Score would give a portfolio that was made up of 60% XOM (Exxon Mobil) and 40% TSLA (Tesla) would have a score of 170.

**Aggressive (200+)**

A Leader with this investment style is focused on investing that primarily prioritizes returns, understanding there is more risk and volatility involved. As an example, Morningstar's Portfolio Risk Score would give a portfolio that was made up of 60% GME (Gamestop) and 40% AMC (AMC Entertainment Holdings) a score of 269.

All investing involves risk, and it is important to recognize that risk relative to the investment options available on our platform. It is important to think about your investing priorities when deciding what Leader to SuperFollow. To learn more about how Morningstar creates a risk score and their methodology, click [here](#).