

Investment Policy Statement (IPS) FREE TEMPLATE

I. PURPOSE OF THE INVESTMENT POLICY STATEMENT

The purpose of this investment policy statement (IPS) is to:

- Establish the investment objectives and goals for my investment portfolio
- Define the target asset allocation and rebalancing procedures
- Determine the types of investments I will use
- Establish a framework for how I will select investments
- Create rules for how I will monitor my investments

This IPS is intended to serve as a decision-making tool and discipline framework. It is intended to be specific, yet flexible enough to be practical.

II. GOALS - WHAT PURPOSE DOES THE MONEY SERVE?

My money is a tool to achieve my goals. My goals are as follows:

- **INSERT YOUR GOALS**
- **INSERT YOUR GOALS**
- **INSERT YOUR GOALS**
- **INSERT YOUR GOALS**
- **INSERT YOUR GOALS**

My investing time horizon is **XX** years. I plan to start withdrawals in **XX** years.



III. INVESTMENT ALLOCATION TARGETS

I will always manage my investments to the targets below. I have determined this is the appropriate amount of risk I am comfortable with and will help me achieve my goals.

Account(s):

Stocks (%): _____ Bonds (%): _____ Cash (%): _____

Notes:

Account(s):

Stocks (%): _____ Bonds (%): _____ Cash (%): _____

Notes:

Account(s):

Stocks (%): _____ Bonds (%): _____ Cash (%): _____

Notes:

Account(s):

Stocks (%): _____ Bonds (%): _____ Cash (%): _____

Notes:

IF YOU WANT TO CUSTOMIZE FURTHER, YOU CAN SPECIFY ALLOCATION BY ASSET CLASS

Asset Class	Target %
US Equity	
International Developed Equity	
Emerging Market Equity	
Domestic Real Estate	
International Real Estate	
US Government Bonds	
Investment Grade Corporate Bonds	
High-Yield Bonds	



IV. TYPES OF INVESTMENTS

I will only use the types of investments in the “allowable” column below. I will not use investments from the “not allowable” column.

I have determined the allowable investments will meet my goals. I have specifically excluded investments from the not allowable list because **INSERT YOUR REASON(S)**.

Asset Constraints

BELOW IS A RANDOM MIX OF ALLOWABLE AND NOT ALLOWABLE INVESTMENTS - PLEASE CUSTOMIZE TO YOUR LIKING.

Allowable	Not Allowable
ETFs	Funds that cost more than 0.9%
Indexed mutual funds	Using margin
Individual stocks <ul style="list-style-type: none"> • No more than 10% of the entire portfolio • No individual holding exceeding 5% of entire portfolio 	Leveraged ETFs
Commodities	Private real estate
Collectibles	Futures
Art	Hedge funds
Venture capital	Private loans
Private equity	



V. FRAMEWORK FOR SELECTING INVESTMENTS

Because new investments continually come to market and old investments regularly become popular, below is a framework for how I will select investments for my portfolio.

BELOW IS A SAMPLE. YOU SHOULD ADAPT FOR YOUR OWN LIKING.

- Fees: only choose funds in the bottom quartile of expenses
- Investment style: index for at least 90% of the portfolio and active management can be up to 10%
- Taxes: only choose funds with historical capital gain distributions below 3%
- Access: no funds with lock ups, gates, or liquidation costs
- Complexity: funds must be transparent - no black box

VI. MONITORING INVESTMENTS

I will review my portfolio on **XX** dates. I will rebalance on those dates if any position is **20%** above or below its target position.

I will look at capital gain distributions on **November 5** of each year to see if a fund should be sold prior to the distribution.

Disclaimer: This is for general information and educational purposes only and should not be considered investment, financial, legal, or tax advice. It is not a recommendation for purchase or sale of any security or investment advisory services. Please consult your own legal, financial, and other professionals to determine what may be appropriate for you. Opinions expressed are as of the date of publication, and such opinions are subject to change. [Click for full disclaimer.](#)

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

Signature: _____