INVESTMENT RISK PROFILE QUESTIONNAIRE

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The results of this investment risk profile questionnaire helps your financial adviser to better understand you and make recommendations that are the right 'fit' for you in regards to your attitude to risk. There are no right or wrong answers. Sometimes none of the answers will match exactly what you want to say – when that happens, choose the answer that is closest or 'best fit' to your response.

Date Completed:	Your Name(s):

1. How would you describe your understanding and experience of saving and investing?

☐ A) No knowledge or experience.

☐ B) Limited knowledge and experience.

☐ C) Reasonable knowledge and experience.

☐ D) Better than average knowledge and experience.

☐ E) Extensive knowledge and experience.

2. What is your main investment goal?

Quick tip: Think about what you are saving for. Do you expect your savings to grow for a future pay out (e.g. retirement, child's education), to increase your overall capital or to leave an inheritance? Or will you use these savings to add to your income immediately?

☐ A) Income.

☐ B) Growth.

☐ C) Income and Growth.

If you have any specific purposes for this investment, please state these in the box below (e.g. car purchase, holidays, university fees, boost children's inheritance etc.):

3. **What impact would it have on your standard of living if you were to lose money on this investment?**
Quick tip: Losing money here refers to the value of your investment portfolio falling below the amount you originally invested because of a drop in the market. For example, if you gave your adviser £50,000 to invest and later the value of your investments fall to £47,500.

☐ A) It would not have an impact on my standard of living and I wouldn't need to use any additional resources (for example, savings) as a result.

☐ B) I have other resources I could fall back on.

☐ C) It would have an impact on my immediate standard of living.

4. **When do you want to start spending money you will save in this investment?**

☐ A) Immediately or within the next three years.

☐ B) Within three to four years.

☐ C) Within five to six years.

☐ D) Within seven to ten years.

☐ E) Not within the next ten years.

5. **Do you require immediate access to your investment portfolio?**
Quick tip: Some investment products offer greater long term benefits if investors agree to lock their money away for a certain period of time e.g. five years.

☐ A) Yes, immediate access to my investment portfolio is important to me.

☐ B) No, I would be happy to restrict access to at least part of my investment portfolio to benefit from potentially greater returns.

6. **Once you start spending your money, how long do you expect to continue to withdraw funds from your investment portfolio?**
Quick tip: Do you want to spend all your money at once e.g. to buy a house? Or do you plan to make the money last over a longer period e.g. paying yourself a yearly income once you retire?

☐ A) I plan to withdraw all of my money at once.

☐ B) I will make withdrawals over two to five years.

☐ C) I will make withdrawals over six to ten years.

☐ D) I will make withdrawals over ten years or more.

☐ E) I do not intend to withdraw the money.

7. **Once you start to spend the money in your investment portfolio, how much do you plan to withdraw?**
Quick tip: If your investments are worth £100,000 and you want to withdraw a yearly income of 4%, you will need to take out £4,000 each year.

☐ A) I do not intend to take withdrawals.

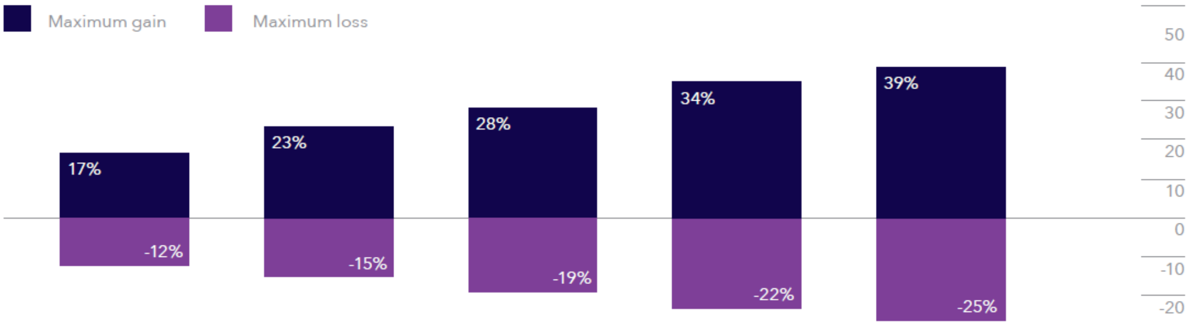
☐ B) I plan to withdraw between 0% and 4% of the value of my investments each year.

☐ C) I plan to withdraw between 4% and 8% of the value of my investments each year.

☐ D) I plan to withdraw more of than half of the value of my investments within three to ten years.

☐ E) I plan to withdraw all of my investments at once.

8. **Some investments offer the opportunity for a greater gain but with the risk of a greater loss. Look at the five scenarios represented in the chart below. Which one would you put your money in?**



☐ Scenario A ☐ Scenario B ☐ Scenario C ☐ Scenario D ☐ Scenario E

9. **Imagine you have invested £100,000. Which of the five scenarios below would you want for your investment portfolio?**

	Best-case increase (£)	Most likely result (£)	Worst-case losses (£)
☐ Scenario 1	17,000	4,500	-12,000
☐ Scenario 2	23,000	6,000	-15,000
☐ Scenario 3	28,000	7,000	-19,000
☐ Scenario 4	34,000	8,000	-22,000
☐ Scenario 5	39,000	9,000	-25,000

10. **Investing involves a trade-off between risk and returns. In the past, investments with higher returns have been associated with greater risk and chance of loss. Whereas cautious investments that have had a lower chance of loss have also achieved lower returns. Which of the following statements best describes your attitude to risk?**

- ☐ A) I am most concerned with risk. I am willing to accept lower returns in order to limit risk of loss.
- ☐ B) I am willing to accept some risk and chance of loss in an effort to achieve modest but somewhat higher returns.
- ☐ C) I am willing to accept moderate risk in order to achieve higher returns. Reducing risk and increasing returns are equally important to me.
- ☐ D) I want to achieve strong returns on my investments. I am willing to accept somewhat higher risk and chance of loss.
- ☐ E) I am mainly concerned with getting the highest possible returns on my investments. I am willing to accept significant rises and falls in the value of my investments and a significant chance of loss.

11. **Imagine your adviser has invested £100,000 of your money and it has fallen in value to £80,000. Assuming that this happens at an early stage of your intended investment period, how would you react to this £20,000 loss?**

- ☐ A) I would not change my investment plan.
- ☐ B) I would wait at least one year before changing to investment options that are more stable.
- ☐ C) I would wait at least six months before changing to investment options that are more stable.
- ☐ D) I would immediately change to investment options that are more stable.

12. **The value of investments vary from year to year. Suppose you invested £100,000. How much money would you need to lose before you wanted to move your money into a more stable investment?**

- ☐ A) £5,000 or less.
- ☐ B) £10,000.
- ☐ C) £15,000.
- ☐ D) £20,000.
- ☐ E) It is unlikely I will move my money even if my investment falls in value.

13. How does your concern about losing money manifest itself in relation to your investment?

☐ A) I would sell my investments.

☐ B) I would be worried but not uncomfortable enough to sell my investments immediately. If my investments suffered losses over several months, I would probably sell.

☐ C) I would wait a full year before making changes to my investments – short-term losses in the value of my investments do not bother me.

☐ D) I would not make changes – I understand that investments can have occasional negative yearly returns. However, I have a higher chance of reaching my investment goals if I stick with my investment over the long term.

14. What is your general attitude towards the prospect of losses when investing your money?

☐ A) My investments do not have to grow, I just want my money to be safe.

☐ B) I can accept lower growth for greater certainty.

☐ C) I am more concerned about the possible losses than the possible gains.

☐ D) I can accept possible losses for long-term investment growth.

☐ E) To achieve high levels of growth, it is necessary to take risk.

15. Do you have any specific investment restrictions that you would like considered? E.g. ethical views, interest in particular markets etc.

☐ A) No.

☐ B) Yes. Please provide details below:

16. Do you require an investment selection that is discretionally managed?
Quick tip: This is where you invest in a portfolio that is actively managed by a discretionary fund manager. When you grant them with authority from the outset, they can strategically switch your money in and out of different markets to ensure the best possible returns in line with your attitude to risk, sometimes on a daily basis. There may be an extra charge for this.

☐ A) No.

☐ B) Yes.

17. **Are you interested in allocating part of your investment portfolio to a higher/lower risk profile than previously covered?**

    Quick tip: Many investors nowadays have varying attitudes to risk depending on what area of their life they are investing for. For example, an investor saving for retirement is likely to take less risk with their pension than they would with cash held on deposit that they have no specific need for. In this scenario, the investor may increase their risk profile for the spare cash to benefit from potentially greater returns.

- ☐ A) No.
- ☐ B) Yes. If so, please indicate below how much you would be interested in investing in an alternative risk profile and for how long:

Your Attitude to Risk (to be completed by your Adviser):

- ☐ Defensive
- ☐ Cautious
- ☐ Balanced
- ☐ Moderately Adventurous
- ☐ Adventurous

Print Name(s):		
Signature(s):		
Date:		