

Distribution Technology Risk Profiler

About the Risk profiler

There are several aspects to investment risk, how you feel about risk, how much risk you can afford to or wish to take and the risk of not meeting a particular goal or objective. In order to establish your attitude to risk, we ask you to complete this Risk Profiler Questionnaire. The profiler involves a questionnaire to assess how you feel about risk, together with a description and some numerical information designed to help you judge whether you are comfortable with the potential gains and losses from selecting a particular level of risk.

The Questions

The questions have been designed by Oxford Risk, who are specialists in psychometric testing and risk profiling. The questions have been designed to elicit an emotional response to risk rather than a pure factual one. None of your responses will have a direct bearing on the particular funds or products that may be recommended to you, but will be used as a basis for discussion and agreement regarding your final risk profile on which recommendations will be based.

Instructions

1. Complete the questionnaire. It is important that you do so honestly and bearing in mind the questions relate to you generally rather than the particular investment you are considering. Your views about the particular investments you are considering will be taken into account in a later step. If you are in a financially dependent or interdependent relationship, both parties will be required to complete a Questionnaire.
2. Once you have completed the Questionnaire, we will assess this using a scoring system to gain an initial Risk Profile.
3. We will discuss your short and long term goals and objectives, investment experience and existing holdings, with you and consider the Potential Loss and Gain Value at Risk figures relevant to the description suggested by your score. If you regard the losses as unaffordable, returns insufficient or otherwise unacceptable to you, we will hold further discussions and look at alternative levels of risk and Potential Loss and Gain for these levels until you find a level and values that you are comfortable with. All of the potential losses and gains include broad brush charges.
4. Before deciding on a final risk profile, we will consider the term of which you wish to invest, the importance of the investment you are making in your overall financial circumstances and whether you can afford a sustained period of losses.
5. If you or your partner are each completing the questionnaire, you do not need to agree with each other regarding a final risk profile.
6. It may be that you are making multiple investments, possible for different purposes, and if so you may wish to adopt a different risk profile for each investment. If this is the case, we can discuss and determine your specific requirements together to ensure we agree an appropriate level. We will also discuss timescales, liquidity requirements and capacity for loss as part of your objectives.

Questionnaire-20 Questions

1. Compared to the average person, I would say I take more risks.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

2. I would be willing to risk a percentage of my income/capital in order to get a good return on an investment.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

3. To achieve high returns, it is necessary to choose high-risk investments.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

4. I have been extremely cautious in my past financial investments.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

5. Even if I experienced a substantial loss on an investment, I would not be put off making risky investments.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

6. I believe it is reckless to take financial risks.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

7. When I am faced with a financial decision I am generally more concerned about the possible losses than the probable gains.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

8. I would rather know that I was getting a guaranteed rate of return than be uncertain about my investments.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

9. Compared to the average person, I take lower financial risks.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

10. I would rather put my money in a bank account than invest in shares.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

11. I do not feel comfortable with financial uncertainty.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

12. If my investment portfolio dropped significantly in value during the first three months, it would not bother me.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

13. I would never take a chance with any amount of money.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

14. I would accept potential losses in order to pursue long term investment growth.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

15. I believe that the only way to make money is to take financial risks.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

16. Taking financial risks is important to me.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

17. I would be happy investing a large proportion of my income/capital in a high- risk investment.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

18. I would feel comfortable investing in shares.

- Strongly Disagree
- Disagree
- Neither Agree or Disagree
- Agree
- Strongly Agree

19. How comfortable do you feel when you take a financial risk?

- Not at all comfortable
- Slightly comfortable
- Moderately comfortable
- Comfortable
- Very comfortable

20. Overall, how would you place yourself on the following scale?

- Risk averse
- Somewhat risk averse
- Neither risk averse nor a risk taker
- A moderate risk taker
- A risk taker

Client Name:

Client Signature:

Date:

Investment Timeframe

When do you intend to use the invested money?

- Short term (0-5 years)
- Medium term (5-10 years)
- Long term (10+ years)
- No fixed term

Your Capacity for Loss

How much of this investment could you stand to lose without having a significant impact on your future standard of living?

- None or very limited losses
- Small/medium losses could be tolerated
- Large losses would have a low impact on future lifestyle

Investment Liquidity

If you needed sudden access to a lump sum, how likely is it that you would need to encash this investment?

- I have other savings and investments which I can use for most needs
- I may need this investment if I needed access to a significant amount of money quickly
- I would almost certainly need access to this investment

Client Name:

Client Signature:

Date: