

Risk Profiling Questionnaire

Assessing Attitude to Risk – Introduction

There are several aspects to investment risk including how investors feel about risk, how much risk investors can afford to or wish to take and the risk of not meeting a particular goal or objective.

Understanding an investor's attitude to risk will allow our recommendations to be tailored to better meet your needs.

About the Risk Questionnaire

In order to establish your attitude to risk, please complete this questionnaire, the questions are designed to measure risk attitude and risk personality. They are based upon the social science of psychometrics and have been created by Distribution Technology (in association with Oxford Risk, an industry leading psychometric profiling company)

The attitudinal answers can be used as a basis for discussion and agreement regarding an investor's final risk profile. Subsequent recommendations will take the investor's answers into account but will not have a direct bearing on any particular products or funds that may be recommended as a result.

Instructions for use

- Record the answers to all questions. It is important that this is done honestly – there is no right or wrong answer. Please bear in mind that the questions relate to the individual generally, rather than any particular investment that is being considered.
- The answers to the questionnaire can be used by us to determine an individual's risk level, based on the scoring from the questionnaire and a discussion with you about your attitude to risk, ability to take risk and risk personality.

Please Note:

The final selected risk profile will be an important factor in which products and funds are recommended (if any). Consideration should be given to the term over which to invest, the importance of the investment with regard to your overall financial circumstances, and whether you can afford sustained periods of loss. If you are in any doubt about your risk profile or feel that you have not understood any aspect of the process, you should discuss the matter with us before we confirm your risk level.

Clients Full Name: _____

Date of Birth: _____

Investor Experience

In order to help us to better understand your previous experience with investments will you please complete the following 9 questions by placing a tick in the box which most reflects your experience.

	Question	✓	Tick to indicate your answer to the question
1	Have you ever invested in cash based savings and deposits, such as savings accounts, cash ISAs or savings bonds?	<input type="checkbox"/>	Yes, I invested after taking financial advice
		<input type="checkbox"/>	Yes, I invested without taking financial advice
		<input type="checkbox"/>	No
2	Have you ever invested in pensions where you could control the selection of funds to invest in (not a final salary scheme)?	<input type="checkbox"/>	Yes, I invested after taking financial advice
		<input type="checkbox"/>	Yes, I invested without taking financial advice
		<input type="checkbox"/>	No
3	Have you ever invested in collective investments such as funds in a stocks and shares ISA, OEICs, unit trusts or investment trusts?	<input type="checkbox"/>	Yes, I invested after taking financial advice
		<input type="checkbox"/>	Yes, I invested without taking financial advice
		<input type="checkbox"/>	No
4	Have you ever bought or sold shares on the stock market?	<input type="checkbox"/>	Yes, I invested after taking financial advice
		<input type="checkbox"/>	Yes, I invested without taking financial advice
		<input type="checkbox"/>	No
5	Have you ever invested in other investments (structured products, venture capital trusts, enterprise investment schemes, alternative investments or unregulated investments)?	<input type="checkbox"/>	Yes, I invested after taking financial advice
		<input type="checkbox"/>	Yes, I invested without taking financial advice
		<input type="checkbox"/>	No
6	How often do you review the value of your pensions and investments?	<input type="checkbox"/>	I do not have any pensions or investments
		<input type="checkbox"/>	At least every 3 months
		<input type="checkbox"/>	Between 3 months and a year
		<input type="checkbox"/>	Less than once a year
		<input type="checkbox"/>	Only when I see a major financial event in the news
		<input type="checkbox"/>	I leave this to my financial adviser
7	If the value of your investments has ever fallen, how did you respond?	<input type="checkbox"/>	I don't recall the value of my investments ever falling
		<input type="checkbox"/>	Arranged a meeting with my financial adviser
		<input type="checkbox"/>	Discussed it with my financial adviser at our next planned review
		<input type="checkbox"/>	Took some or all of the remaining money out of the investment
		<input type="checkbox"/>	Saw the fall in value as an opportunity and invested more
		<input type="checkbox"/>	I took no action

8	How would you describe your level of investment experience		Not at all experienced: I'm not very comfortable with investing
			Somewhat experienced: I understand the basics but still want some things explaining
			Experienced: I'm comfortable with investing and have some understanding of the potential risks rewards
			I don't understand the question

9 If you would like to make any other comment about your previous experience, education or profession which you feel may be relevant to your investment knowledge or experience, please do so below: - (optional)

Discussion Points (if any)

How do you feel about risk?

	<i>Please tick the most appropriate answer</i>	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Neither Agree or Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>
1	Compared to the average person, I would say I take more risks					
2	I would be willing to risk a percentage of my income/capital in order to get a good return on an investment					
3	To achieve high returns, it is necessary to choose high-risk investments					
4	I have been extremely cautious in my past financial investments					
5	Even if I experienced a substantial loss on an investment, I would not be put off making risky investments					
6	I believe that it is reckless to take financial risks					
7	When I am faced with a financial decision I am generally more concerned about the possible losses than the probable gains					
8	I would rather know that I was getting a guaranteed rate of return than be uncertain about my investments					
9	Compared to the average person, I take lower financial risks					
10	I would rather put my money in a bank account than invest in shares					
11	I do not feel comfortable with financial uncertainty					
12	If my investment portfolio dropped significantly in value during the first three months, it would not bother me					
13	I would never take a chance with any amount of money					
14	I would accept potential losses in order to pursue long-term investment growth					
15	I believe that the only way to make money is to take financial risks					
16	Taking financial risks is important to me					
17	I would be happy investing a large proportion of my income/capital in a high-risk investment					
18	I would feel comfortable investing in shares					
	<i>Please tick the most appropriate answer</i>	<i>Not at all comfortable</i>	<i>Slightly Comfortable</i>	<i>Moderately Comfortable</i>	<i>Comfortable</i>	<i>Very Comfortable</i>
19	How comfortable do you feel when you take a financial risk?					
	<i>Please tick the most appropriate answer</i>	<i>Risk Averse</i>	<i>Somewhat risk averse</i>	<i>Neither risk averse nor a risk taker</i>	<i>A moderate risk taker</i>	<i>A risk taker</i>
20	Overall how would you place yourself on the following scale?					

What is your capacity for risk?

The following questions are not part of the psychometric attitude assessment and have no direct impact on the questionnaire results or selected risk level.

However, the answers will help the investor and adviser identify areas that should also be considered when assessing suitability and choosing a risk level.

<i>Please tick the most appropriate answer</i>	Within the Year	Within 1 to 5 Years	Within 6 to 10 Years	After 10 Years	No fixed Term
When do you intend to use the money?					

<i>Please tick the most appropriate answer</i>	None or very limited losses	Small Losses could be tolerated	Medium losses could be tolerated	Large losses would have a low impact on future lifestyle
How much of this investment could you stand to lose without having a significant impact on your future standard of living?				

<i>Please tick the most appropriate answer</i>	I have other savings and investments, which I can use for most needs	I may need to sell this investment if I needed access to a significant amount of money quickly	I would almost certainly need to sell this investment
If you needed sudden access to a lump sum, how likely is it that you would need to encash this investment?			

Notes:

Client's Signature: _____

Date: _____