

# risk profile questionnaire

for individuals July 2007



## 1 Personal details

Title

Mr    Mrs    Miss    Other (Please specify)

Surname

Full forename(s)

Date of birth (dd mm yyyy)

Postcode

## 2 Risk profile questions

1. How many years are you prepared to invest this money for, or how long do you want to hold on to your existing investment?

▶ Enter a number of years from 1 to 30. This time period is very important in the risk assessment process.

2. Do you have an emergency fund to provide for unexpected expenses, so as to avoid drawing on medium- to long-term savings to meet immediate needs? (This fund should be equal to at least three months' after-tax income.) ▶ Please tick (✓)

- No
- Yes - but very small
- Less than six months' salary
- Around one year's salary
- More than two years' salary

3. What is your expectation of your future earnings over the next five years? ▶ Please tick (✓)

- I expect my earnings to decrease
- I expect my earnings to keep pace with inflation
- I expect my earnings to increase somewhat ahead of inflation
- I expect my earnings to far outstrip inflation
- I expect my earnings to fluctuate

## 2 Risk profile questions *(continued)*

4. What percentage of your total assets (excluding your home) are you proposing to invest now? ► Please tick (✓)

- Less than 25%
- 25% to less than 50%
- 50% to less than 75%
- 75% or more

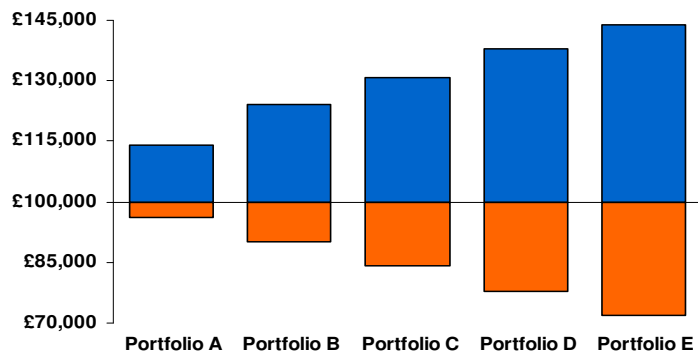
5. Which statement most closely reflects your current financial situation? ► Please tick (✓)

- I am completely debt free
- I am mortgage free but have a few other obligations
- I have a reasonable mortgage but no other debts
- I have a mortgage and a few other obligations
- I have a lot of obligations

6. Which statement best describes your objectives for this investment? ► Please tick (✓)

- I am risk averse and not prepared to expose my investments to high volatility to earn higher long-term returns. Stable annual returns are desired.
- I want to achieve higher long-term returns and am prepared to tolerate reasonable levels of volatility.
- I want to maximise my long-term returns and spend little time worrying about short-term market movements.

7. At the beginning of the year you have £100,000 invested. The chart and options below show the performance of five different hypothetical investments. Each bar gives a range of possible values at the end of the same year. Which investment are you most happy with? ► Please tick (✓)



**Potential best and worst case end values** (This chart is for illustrative purposes only and does not reflect the performance of a specific index or fund.)

- Portfolio A: £114,000 to £96,000
- Portfolio B: £124,000 to £90,000
- Portfolio C: £131,000 to £84,000
- Portfolio D: £138,000 to £78,000
- Portfolio E: £144,000 to £72,000

8. What level of fall in the value of this portfolio over a one-year period would concern you, bearing in mind that equity investment requires a long-term view? ► Please tick (✓)

- 0% to just under 5%
- 5% to just under 10%
- 10% to just under 15%
- 15% to just under 20%
- None of the above concern me

9. Suppose one year ago you invested £100,000 in a portfolio. The market value has gone down during the period and your investment is worth £87,000. Would you: ► Please tick (✓)

- sell the portfolio and invest the proceeds in a less volatile investment?
- sell part of the portfolio and invest the proceeds in a less volatile investment?
- sit tight expecting the portfolio to recover?
- sell the portfolio and invest the proceeds in something riskier to try to recoup your losses?
- invest more money in the same portfolio?

