



Investment Attitudes, Capacities and Goals Questionnaire

Background

Establishing a good understanding of your general attitude towards investments and life risks in general is an essential first step in offering guidance to you in this area.

With this in mind, this questionnaire has been developed to capture responses to a set of standard questions which will help greatly in framing your needs.

This questionnaire has been designed to elicit responses to many favourite questions in the areas of your:

- Investment experience
- Loss experience
- Attitude to risk
- Capacity for Loss
- Investment goals

Taken together, they form a good basis for a subsequent discussion and agreement on the suitability of an existing investment or something new.

Caveats

The questions in section 2 relating to your attitude to risk are intended to be sufficiently imprecise as to cause a variety of possible responses so please accept there is a purpose behind there being more than one reasonable response available. Choose a response that most fits how you feel.

Section 4 concerns your investment goals in terms of what percentage performances you want from your investments. Bear in mind, the targeted percentage figures are intended only to reinforce my understanding of your responses to other parts of this questionnaire. Investment values fluctuate and performances cannot be guaranteed.

Finally

Once you have completed this questionnaire, please sign and date this page where indicated below.

Name: _____

Signature: _____

Date: _____

1 - Investment Experience

Place a small "X" in each box that most correctly reflects your view

| | | Yes, I invested after taking financial advice | | Yes, I invested without taking financial advice | | No | |
|---|---|---|---|---|---|---|--------------------------------------|
| 1 | Have you ever invested in cash based savings and deposits, such as savings accounts, cash ISAs or savings bonds? | | | | | | |
| 2 | Have you ever invested in pensions where you could control the selection of funds to invest in (not a final salary scheme)? | | | | | | |
| 3 | Have you ever invested in collective investments such as funds in a stocks and shares ISA, OEICs, unit trusts or investment trusts? | | | | | | |
| 4 | Have you ever bought or sold shares on the stock market? | | | | | | |
| 5 | Have you ever invested in other investments (structured products, venture capital trusts, enterprise investment schemes, alternative investments or unregulated investments)? | | | | | | |
| | | I do not have any pensions or investments | At least every 3 months | Between 3 months and a year | Less than once a year | Only when I see a major financial event in the news | I leave this to my financial adviser |
| 6 | How often do you review the value of your pensions and investments? | | | | | | |
| | | I don't recall the value of my investments ever falling | Arranged a meeting with my financial adviser | Discussed it with my financial adviser at our next planned review | Took some or all of the money out of the investment | Saw the fall in value as an opportunity and invested more | I took no action |
| 7 | If the value of your investments has ever fallen, how did you respond? | | | | | | |
| | | Not at all experienced | 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 and reward | | | I don't understand this question |
| 8 | How would you describe your level of investment experience | | | | | | |

2 - Loss Experience

| | | |
|---|---|--|
| 1 | Have you ever had experience of an investment product which lost money? | |
| | | |
| 2 | What were the circumstances? | |
| | | |
| 3 | By how much did the investment fall in value? | |
| | | |
| 4 | Did you sell the investment immediately or ride it out? | |
| | | |
| 5 | What was the final outcome? | |
| | | |
| 6 | How did this experience affect your attitude to losses? | |

2 - Attitude to Risk

Place a small "X" in each box that most correctly reflects your view

| | | Strongly Disagree | Disagree | Neither agree or disagree | Agree | Strongly Agree |
|----|---|------------------------|----------------------|-----------------------------------|---------------------|------------------|
| 1 | Compared to the average 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 my investments | | | | | |
| 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 experience a substantial loss on my investment, I would not be put off making risk investments. | | | | | |
| 6 | I believe it is reckless to take a financial risk. | | | | | |
| 7 | When I'm 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 into 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 will 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. | | | | | |
| | | Not at all comfortable | Slightly comfortable | Moderately comfortable | Comfortable | Very comfortable |
| 19 | How comfortable are you when you take a financial risk? | | | | | |
| | | Risk averse | Somewhat risk averse | Neither risk averse or risk taker | Moderate risk taker | Risk taker |
| 20 | Overall how would you place yourself on the following scale? | | | | | |

3 - Capacity for Loss

Place a small "X" in each box that most correctly reflects your view

| | | Short term (0 – 5 years) | Medium term (5 -10 years) | Long term (10+ years) | No fixed term |
|---|--|--|--|--|---------------|
| 1 | When do you intend to use the invested money? | | | | |
| | | None or very limited losses | Small / medium losses could be tolerated | Large losses would have a low impact on future lifestyle | |
| 2 | How much of this investment could you stand to lose without having a significant impact on your future standard of living? | | | | |
| | | 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 | |
| 3 | If you needed sudden access to a lump sum, how likely is it you would need to encash this investment? | | | | |

| | |
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| Notes | |
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4 - Investment Goals

Place a small "X" in each box that most correctly reflects your view

| | | 4% p.a. | 5% p.a. | 6% p.a. | 7% p.a. | 8% p.a. | 9% p.a. | 10% p.a. |
|---|--|---------|----------|-----------|---------|-----------|-----------|----------|
| 1 | What average annualised gains would you like your investments to target? | | | | | | | |
| | | 5% | 6% - 10% | 10% - 12% | 12-15% | 15% - 17% | 17% - 19% | 20% |
| 2 | What is the maximum short term losses over a rolling 12 month period you would be comfortable to accept? | | | | | | | |

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| Notes | |
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