

Client Name (s):

Parkgate Reference Number:



### Parkgate Risk Profiling Process

How would you rate your investment knowledge?

Client 1    Client 2

<b>Minimal</b>	I consider my knowledge to be very limited		
<b>Modest</b>	I've been investing for a few years and I sometimes read the business press		
<b>Moderate</b>	I've been investing for several years within a broad range of different assets		
<b>Good</b>	I've been investing for quite a while and I've lived through at least one market downturn		
<b>Very good</b>	I'm an experienced investor and I am comfortable with all the ups and downs associated with the market		

Client perceived attitude to risk

<b>Client 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Client 2</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>

← Lower risk

Higher risk →

Please tick one of the five boxes for each question

Client 1    Client 2

1. I would be willing to risk a percentage of my income in order to get a good return on an investment	1 Strongly disagree		
	2 Disagree		
	3 Neither agree or disagree		
	4 Agree		
	5 Strongly agree		
2. To achieve high returns, it is necessary to choose high risk investments	1 Strongly disagree		
	2 Disagree		
	3 Neither agree or disagree		
	4 Agree		
	5 Strongly agree		
3. When I am faced with a financial decision I am generally more concerned about the possible losses than the probable gains	5 Strongly disagree		
	4 Disagree		
	3 Neither agree or disagree		
	2 Agree		
	1 Strongly agree		
4. I would rather know that I was getting a guaranteed rate of return than be uncertain about my investment	5 Strongly disagree		
	4 Disagree		
	3 Neither agree or disagree		
	2 Agree		
	1 Strongly agree		
5. Compared to the average person, I take lower financial risks	5 Strongly disagree		
	4 Disagree		
	3 Neither agree or disagree		
	2 Agree		
	1 Strongly agree		
6. I would rather put my money in a bank account than invest in shares.	5 Strongly disagree		
	4 Disagree		
	3 Neither agree or disagree		
	2 Agree		
	1 Strongly agree		

7. I do not feel comfortable with financial uncertainty.	5 Strongly disagree 4 Disagree 3 Neither agree or disagree 2 Agree 1 Strongly agree		
8. I would accept potential losses in order to pursue long term investment growth.	1 Strongly disagree 2 Disagree 3 Neither agree or disagree 4 Agree 5 Strongly agree		
9. Taking financial risks is important to me.	1 Strongly disagree 2 Disagree 3 Neither agree or disagree 4 Agree 5 Strongly agree		
10. I would be happy investing a large proportion of my income in a high-risk investment.	1 Strongly disagree 2 Disagree 3 Neither agree or disagree 4 Agree 5 Strongly agree		

Score	Investor Description	Risk Profile
10-13	Lowest Risk	1
14-17	Very Low Risk	2
18-21	Low Risk	3
22-25	Lowest Medium Risk	4
26-29	Low Medium Risk	5

Score	Investor Description	Risk Profile
30-33	High Medium Risk	6
34-37	Highest Medium Risk	7
38-41	High Risk	8
42-45	Very High Risk	9
46-50	Highest Risk	10

**FOR ADVISER USE ONLY: Client attitude to risk (following risk questionnaire output):**

Client 1	1	2	3	4	5	6	7	8	9	10
Client 2	1	2	3	4	5	6	7	8	9	10

← Lower risk Higher risk →

**RISK CAPACITY**

**INVESTMENT TIMEFRAME – When do you intend to use the invested money?**

Timeframe	Description	Client 1	Client 2
Short term (0-5 years)	As you are investing for a relatively short period, volatility may have a significant impact on the portfolio. There is less scope for returns to smooth out over shorter time periods. If more certainty in outcome is required a lower risk portfolio should be considered. Whilst taking on risk could produce either higher or lower returns, a lower risk portfolio should be considered to provide more certainty of the outcome when the money is required.		
Medium term (5-10 years)	You are investing for the medium term. In such a period volatility will still have an impact on the portfolio. You should be made aware of the range of possible outcomes, such as are displayed on the risk level selection screen and forecast (if applicable). If more certainty is required a lower risk portfolio should be considered. However, taking more risk could result in higher potential returns.		
Long term (10+ years)	You are investing for a longer term, consequently any portfolio will have more time for potential market volatility to even out. In practice this means where volatility results in a period of loss there is greater chance to achieve a recovery. This may allow more opportunity to take higher risks.		
No fixed term	As there is no fixed term for the investment, you should consider what level of loss you might be prepared to accept. You should also consider how likely it is that you will need to have early access to the investment.		

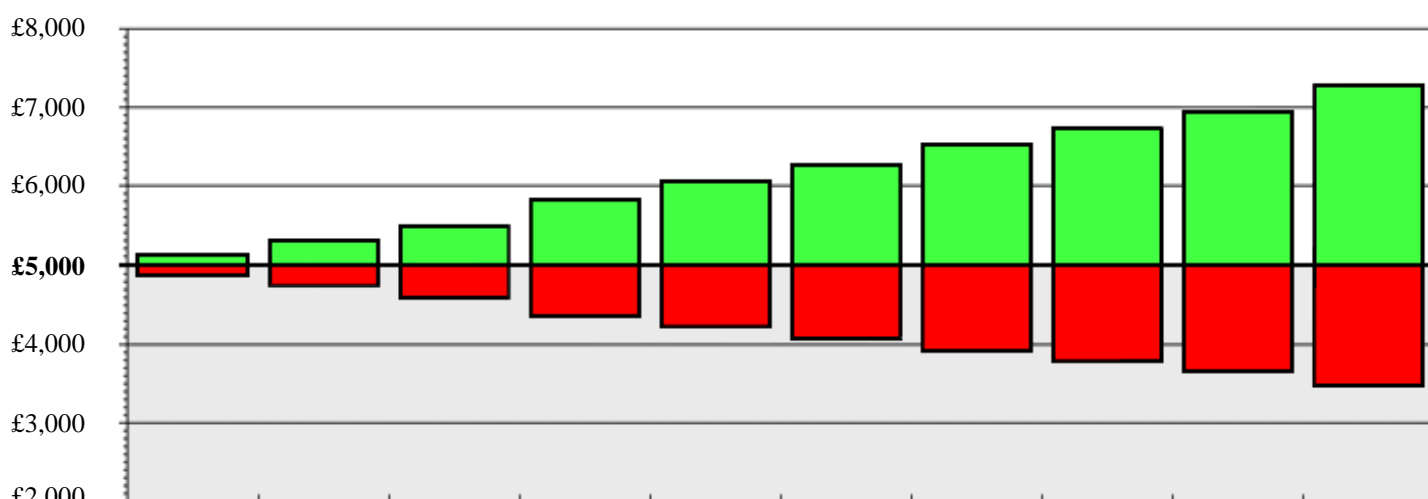
**YOUR CAPACITY FOR LOSS** – How much of this investment could you lose without significant impact on your future standard of living?

Amount	Description	Client 1	Client 2
None or very limited losses (0-5%)	Where this investment is a major part of your financial future, your ability to tolerate losses may be reduced given the impact it would have on your standard of living. Investing in a lower risk portfolio would reduce the likelihood of suffering losses, but these typically offer lower rates of return.		
Small / Medium losses could be tolerated	Whilst small losses could be tolerated, you should consider whether larger losses might substantially impact your future standard of living. You should ensure you understand the range of possible outcomes, such as are displayed on the risk level selection screen and forecast (if applicable).		
Large losses would have a limited impact on future lifestyle	You are investing for a longer term, consequently any portfolio will have more time for potential market volatility to even out. In practice this means where volatility results in a period of loss there is greater chance to achieve a recovery. This may allow more opportunity to take higher risks.		

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

Amount	Description	Client 1	Client 2
I have other savings and investments which I can use for most needs	Providing you don't require early access to this investment, issues around liquidity shouldn't impact the risk you are able to take.		
I may need this investment if I needed access to a significant amount of money quickly	Whilst small losses could be tolerated, you should consider whether larger losses might substantially impact your future standard of living. You should ensure you understand the range of possible outcomes, such as are displayed on the risk level selection screen and forecast (if applicable).		
I would almost certainly need access to this investment	You are investing for a longer term, consequently any portfolio will have more time for potential market volatility to even out. In practice this means where volatility results in a period of loss there is greater chance to achieve a recovery. This may allow more opportunity to take higher risks.		

**Illustration of Potential Best and Worst case scenarios** - The chart below shows the performance of ten different hypothetical investments. Imagine at the beginning of the year you have £5,000 invested. Each bar gives a range of possible values at the end of the same year. Which investment are you most comfortable with? (Please circle the most appropriate Risk Profile below)



Client 1	1	2	3	4	5	6	7	8	9	10
Client 2	1	2	3	4	5	6	7	8	9	10
Example of Gain	£128.54	£306.17	£498.72	£842.46	£1,054.76	£1,295.62	£1,534.15	£1,737.38	£1,978.49	£2,298.55
Example of Loss	£116.94	£252.18	£408.00	£658.06	£796.31	£954.36	£1,101.59	£1,223.89	£1,335.90	£1,533.81

The figures for Loss / Gain shown are examples only – they are not minimum or maximum amounts of loss that could occur. What you get back from your investment depends on how your investment performs and the tax treatment on your investment. The amount you get back could be less than you have invested.

**FOR ADVISER USE ONLY: please continue to Declaration section below**

	Risk Profile (1-10)	Timescale	Aims and requirements
<b>Client 1 – Pension Planning</b>			
Single Premium			
Regular Premium			
<b>Client 2 – Pension Planning</b>			
Single Premium			
Regular Premium			
<b>Client 1 – Investments</b>			
Single Premium			
Regular Premium			
<b>Client 2 – Investments</b>			
Single Premium			
Regular Premium			

**Notes following discussion after completion of the Risk Assessment process**

**Declaration**

**I / We confirm that the information given and recorded on this form is correct, and understand that it shall form the basis for all advice offered.**

**Client 1**

**Client 2**

**Adviser**

**Name:**

**Signature:**

**Date:**