

Dynamic Planner Risk Profiling

In order for your adviser to provide you with financial advice, they need to understand your experience of investing in financial products, approach to risk and capacity for taking risk. To do this they have adopted Dynamic Planner's risk profiling process, comprising three short sets of questions (including its 15-question Attitude to Risk questionnaire), which combined normally take around 10 minutes to complete.

- ▶ Firstly, you will be asked about your experience of investing in different financial products.
- ▶ Next, your attitude to investment risk will be explored by looking at how much risk you would be prepared to take in different situations.
- ▶ Finally, you will be asked a few questions to help your adviser understand your capacity for taking investment risk, given your current financial position.

Once you have answered all these questions, return this document to your adviser who will work out your profile and use this to inform the financial advice they provide.

Your Investing Experience

To provide you with financial advice, your adviser firstly needs to understand how experienced you are with investing.

1. Other than a current account, have you ever had a cash savings account, a cash ISA or savings bonds (e.g. from a bank, building society or NS&I)?

- ☐ Yes, after taking professional financial advice
 - ☐ Yes, without taking professional financial advice
 - ☐ Yes, both with and without taking professional financial advice
 - ☐ No
-

2. Have you ever had a pension where you could choose the funds you invest in?

- ☐ Yes, after taking professional financial advice
 - ☐ Yes, without taking professional financial advice
 - ☐ Yes, both with and without taking professional financial advice
 - ☐ No
-

3. Have you ever had a stocks and shares ISA, or a professionally managed investment fund such as an OEIC, unit trust or investment bond?

- ☐ Yes, after taking professional financial advice
 - ☐ Yes, without taking professional financial advice
 - ☐ Yes, both with and without taking professional financial advice
 - ☐ No
-

4. Have you ever bought or sold individual shares on the stock market?

- ☐ Yes, after taking professional financial advice
 - ☐ Yes, without taking professional financial advice
 - ☐ Yes, both with and without taking professional financial advice
 - ☐ No
-

5. How often do you review the value of your pensions or investments?

- ☐ I do not have any pensions or investments
- ☐ At least every 3 months
- ☐ Between 3 months and a year
- ☐ Less often than once a year
- ☐ Only when I see a major financial event in the news
- ☐ I leave this to my financial adviser

6. If the value of your pensions or investments has ever fallen substantially, how did you respond?

- ☐ I don't recall the value of my investments ever falling substantially
 - ☐ Immediately contacted my financial adviser
 - ☐ Waited to discuss it with my financial adviser at our next planned review
 - ☐ Took some or all of the remaining money out of the investment
 - ☐ Invested more as I saw the fall in value as an opportunity
 - ☐ I took no action as I felt nothing needed to be done
 - ☐ I took no action as I was unsure what to do
-

7. How would you describe your level of investment confidence?

- ☐ Not confident: I'm not very comfortable with investing
 - ☐ Somewhat confident: I'm comfortable with some investments but still need some things explained to me
 - ☐ Confident: I'm comfortable with investing and have a reasonable understanding of the potential risks and rewards
-

8. If you would like to make any other comment about your previous investment experience (e.g. buy to let), background or education which you feel is relevant here, please do so (optional):

This space can be used for any further notes about the questions or answers (optional):

Please DO NOT select " Neither Agree nor Disagree "



Your Attitude to Risk

These questions will help you and your adviser to better understand how you think about risk. There are no right or wrong answers, you just need to select the answer that is the best match for how you feel.

| | Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree |
|---|-----------------------|-----------------------|----------------------------|-----------------------|-----------------------|
| 1. To achieve financial success, I would take financial risks | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 2. I would take more financial risk if there was a chance I could make a lot of money | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 3. I am the kind of person who takes financial risks | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 4. I prefer certainty about the future value of my investments, even if it means making less money | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 5. Rises and falls in the value of my investments would not worry me | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 6. If the value of my investment fell, even for a short time, it would concern me | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 7. I would generally avoid investments whose values rise and fall over time | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 8. I would frequently choose investments offering a steady return rather than those which could rise a lot in value | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Please DO NOT select " Neither Agree nor Disagree "

Please DO NOT select " Neither Agree nor Disagree "



| | Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree |
|--|-----------------------------------|-----------------------|----------------------------|--------------------------|-----------------------|
| 9. Missing an investment opportunity concerns me more than making a loss | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 10. I care more about avoiding losses than making money | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 11. Taking financial risks causes me a lot of stress | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 12. I would regret deciding not to take a risky investment opportunity if it then performed well | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| | Very concerned | Slightly concerned | Not concerned | Cautiously optimistic | Very optimistic |
| 13. When considering investing, I would describe myself as: | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| | Excitement | Opportunity | Necessity | Worry | Disaster |
| 14. The term I most closely associate with financial risk is: | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| | I take risks at every opportunity | I often take risks | I sometimes take risks | I very rarely take risks | I never take risks |
| 15. The statement about risk-taking that best describes me is: | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

This space can be used for any further notes about the questions or answers (optional):

Please DO NOT select " Neither Agree nor Disagree "

Your Capacity for Risk

These questions are designed to understand how your financial situation might affect how much risk you can take. Taken together with the previous questions, they will help your adviser provide you with financial advice that is appropriate for your needs.

1. Do you have any specific financial goals for this investment? If you have multiple goals, please choose the main one that applies to you.

- ☐ No, my investment is to meet a range of goals
 - ☐ Yes - to meet essential living costs: Any losses from this investment would reduce my standard of living
 - ☐ Yes - to meet other important financial goals: If this investment fell in value I'd have enough to live on, but couldn't meet these goals
 - ☐ Yes - to meet non-essential financial goals: I'd still be able to cover my essential living costs and other important financial goals if this investment fell in value
-

2. How much of your investments could you afford to lose without reducing your future standard of living?

- ☐ I can't afford any loss
 - ☐ I could afford a small loss
 - ☐ I could afford a medium loss
 - ☐ I could afford a large loss
-

3. When is the earliest you plan to take money from your investments?

- ☐ Within the next year
 - ☐ Between 1 and 5 years from now
 - ☐ Between 6 and 10 years from now
 - ☐ More than 10 years from now
-

4. How do you plan to take money from your investments?

- ☐ As a single lump sum
 - ☐ Leave it invested and withdraw amounts only as needed
 - ☐ Leave it invested and withdraw amounts regularly (e.g. taking it as regular income)
 - ☐ Leave it invested and only take money out in an emergency
-

5. How likely is it that you will need to take money from your investments earlier than planned?

- ☐ Very likely: Under certain circumstances I can see a situation where I would need to access my investments early – e.g. in a financial emergency
 - ☐ Possibly: I may need to access my investments early e.g. in a financial emergency
 - ☐ Unlikely: I won't need to access my investments early as I have other money for financial emergencies
 - ☐ I can't access some or all of my investments early (e.g. a pension)
-

This space can be used for any further notes about the questions or answers (optional):

Declaration

Name:

Date:

Signature:

You should now return this document to your financial adviser who will work out your risk profile and use this to inform the financial advice they provide.

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The attitude to risk questionnaire was created by Henley Business School working with Dynamic Planner