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Investor Profile
(Confidential)

To Identify Your Investment Objectives and Risk Profile

Customer Name: ____

Investment Adviser: ____

Date Completed: ____

An important aspect of investment planning and analysis is to ensure that our clients' money is invested in a manner that reflects their individual attitudes and personal circumstances.

In order to achieve this we need a clear understanding of w hat your "risk profile" is. When we refer to risk, we mean how much an investment is likely to go up or down in the short-term. To achieve higher long-term returns, you have to be prepared to accept that the value of your investment may fall significantly in the short-term. This is because investments that provide higher returns are usually more volatile than those producing low returns. There is a trade-off between risk and return.

Your risk profile w ill be affected by a number of factors including:

- Investment experience
- Time-frame
- Professional management
- Tax effectiveness
- Income requirements

Completing the following ten questions will help us understand your individual attitude to investing. This will enable us to recommend investments appropriate to your specific needs. It is important to review your risk profile with your adviser as your situation changes.

Investment Risk

Any investment decision you make means that you must take a risk of some sort. Basically, risk is the chance that you w ill not achieve your financial goals.

With a better understanding of risk, you can make a more informed decision -accepting some risks and rejecting others. T he important point is that you understand the relationship between risk and return, particularly over your investment timeframe.

The golden rule is "**the higher the expected return, the higher the likely risk**". Generally, the higher the level of risk you are prepared to accept w hen investing, the higher the potential return will be. At the same time, the potential loss may also be higher. This is called the risk /return trade-off.

The following table summarizes some of the risks that can affect investors:

Types of Risks	What it Means
Mismatch Risk	The investment you chose may not be suitable for your needs and circumstances.
Inflation Risk	The real purchasing power of your money may not keep pace with inflation.
Interest Rate Risk	The risk borne by investors in interest bearing securities, which subjects the holder to a loss of principal, should interest rates rise. For investors relying on fixed rate investments, you may have to reinvest maturing money at a significantly lower rate.
Market Risk	Movements in the market mean the value of your investments can go down as well as up and sometimes suddenly.
Market Timing Risk	Anticipated market rises and falls can be extremely difficult because no two economic cycles are the same.
Risk of not Diversifying	All of your capital will be affected if your single investment does badly.
Liquidity Risk	The risk that you may not be able to sell a security when they need to or that selling a security when you need to will adversely affect the price. You may not be able to access your money quickly or without cost when you need to.
Credit Risk (or Default Risk)	This applies to all debt-type investments, such as: term deposits, CDs, bonds, and debentures. The institution you have invested with may not be able to make the required

	interest payments or repay your funds. The risk that the value of your asset(s) will decline and cause you to lose all or part of your invested capital.
Legislative Risk (or Regulatory Risk)	Your investment strategies could be affected by changes in the current laws and regulations.
Call Risk	The risk borne by the owner of callable securities, which may require that you accept a lower rate of return, once these securities have been called. Callable bonds and preferred stock are more likely to be called when interest rates are low or are falling.
Economic Risk	The risk of loss of principal associated with the purchase of securities.
Nonsystematic Risk (or Business Risk)	A risk that is specific to an issuer, company, or an industry. Diversification and asset allocation strategies can reduce this risk.
Systematic Risk (or Market Risk)	The risk inherent in any investment in the market. An investor may lose money simply because the market is going down. This risk cannot be reduced through diversification.
Political Risk	The risk of investing in securities of emerging markets or less stable international countries.
Foreign Exchange Risk (or Currency Risk)	The risk of U.S. currency losing or gaining value against foreign currencies.

1. Which best describes how you keep up with financial and investment matters?

☐ a. I don't.
☐ b. I take notice of the financial report in the news or on television shows.
☐ c. I read the investment section in the newspaper.
☐ d. I read the WSJ more than three days a week.
☐ e. I subscribe to several financial journals/investment magazines and read the financial press each day.

2. How familiar are you with the capital and investment markets?

☐ a. Very little understanding or interest.
☐ b. Not very familiar.
☐ c. Have enough experience to understanding the importance of diversification.
☐ d. Understand that markets may fluctuate and that different market sectors offer different income, growth, value, and taxation characteristics.
☐ e. Understand all investment sectors, the risks, and understand the various factors which may influence performance.

3. Which one of the following best describes how well you feel you are able to manage your way through the complexities of investments?

☐ a. I definitely need the help of a professional investment adviser.
☐ b. I need a professional investment adviser to help me make decisions on investments.
☐ c. I know what I want to do, but would prefer to have a professional investment adviser to work with me in tailoring my investment plan and making the right decisions.
☐ d. I prefer to make all investment decisions on my own.

4. For how long would you expect most of your money to be invested before you would need to access it?

☐ a. Less than 2 years.
☐ b. Between 2 – 3 years.
☐ c. Between 3 – 5 years.
☐ d. Between 5 – 7 years.
☐ e. Longer than 7 years.

5. What is your current income requirement (dividends plus interest) from your investments?

☐ a. Less than or equal to 2%.
☐ b. Greater than 2%, but less than or equal to 4%.
☐ c. Greater than 4%, but less than or equal to 6%.
☐ d. Greater than 6%.

6. Which investment balance do you feel most comfortable with?

☐ a. Preferably guaranteed investment returns.
☐ b. Stable, reliable investment returns.
☐ c. Some variability in investment returns.
☐ d. Moderate variability in investment returns.
☐ e. Unstable, but potentially higher investment returns.

7. Other than your own home, how do you feel about borrowing to invest?

☐ a. Would not do.
☐ b. Very uncomfortable.
☐ c. Comfortable.
☐ d. Very comfortable.

8. Considering the annual returns of the six hypothetical investment plans below over the last ten years. Based on the range of possible outcomes shown, which plan would be most acceptable to you or best suit your investment philosophy?

☐ a. Average annualized return: 4%, Best case: 5%, Worst case: 2%.
☐ b. Average annualized return: 6%, Best case: 9%, Worst case: -2%.
☐ c. Average annualized return: 8%, Best case: 12%, Worst case: -5%.
☐ d. Average annualized return: 10%, Best case: 15%, Worst case: -8%.
☐ e. Average annualized return: 12%, Best case: 18%, Worst case: -10%.
☐ f. Average annualized return: 14%, Best case: 24%, Worst case: -12%.

9. A typical investment portfolio consists of both investments with high expected returns and high risk (i.e., stock, options, derivatives, property) and those with low expected returns and low risk (i.e., cash, money market, fixed income). Which of the following spread of investments would you feel comfortable investing it?

☐ a. 0% High Risk/High Return, 100% Low Risk/Low Return.
☐ b. 30% High Risk/High Return, 70% Low Risk/Low Return.
☐ c. 50% High Risk/High Return, 50% Low Risk/Low Return.
☐ d. 65% High Risk/High Return, 35% Low Risk/Low Return.
☐ e. 80% High Risk/High Return, 20% Low Risk/Low Return.
☐ f. 100% High Risk/High Return, 0% Low Risk/Low Return.

10. If you didn't need your capital for more than 10 years, for how long would you be prepared to see your investment performing poorly before you cashed it in?

☐ a. You would cash it in immediately if there was any loss in value.
☐ b. Up to 3 months.
☐ c. Up to 6 months.
☐ d. Up to 1 year.
☐ e. Up to 2 years.
☐ f. More than 2 years.

Your risk profile

Extremely Conservative – Cash (0% High Risk, 100% Low Risk)

Your main concern is preservation of capital. You would prefer to take no investment risk and invest in cash. The expected average return is 4.5% and the likelihood of a negative return is never.

Conservative – A very low risk taker (30% High Risk, 70% Low Risk)

You are a conservative investor. Risk must be very low and you are prepared to accept lower returns to protect capital. The negative effects of tax and inflation w ill not concern you, provided your initial investment is protected. The expected average return is 6.5% and the likelihood of a negative return is once every 9 years.

Moderately Conservative – A low risk taker (50% High Risk, 50% Low Risk)

You are a moderately conservative investor seeking better than basic returns, but risk must be low. Typically an older investor seeking to protect the wealth which you have accumulated, you may be prepared to consider less aggressive growth investments. The expected average return is 8% and the likelihood of a negative return is once every 6 years.

Balanced – An average risk taker (65 % High Risk, 35 % Low Risk)

You are a balanced investor who wants a diversified portfolio to work towards medium to long-term financial goals. You require an investment strategy, which will cope with the effects of tax and inflation. Calculated risks will be acceptable to you to achieve good returns. The expected average return is 9% and the likelihood of a negative return is once every 5 years.

Moderately Aggressive – A high risk taker (80% High Risk, 20% Low Risk)

You are a moderately aggressive investor, probably earning sufficient income to invest most funds for capital growth. Moderately aggressive investors are aiming to receive a significantly higher return than cash over time and are therefore prepared to accept a reasonably high level of volatility. The expected average return is 11.5% and the likelihood of a negative return is once every 4 years. A minimum investment period of 5 years is advisable.

Aggressive – A very high risk taker (100% High Risk, 0% Low Risk)

You are an aggressive investor prepared to compromise portfolio balance to pursue potentially greater long-term returns. Your investment choices are diverse, but carry with them a higher level of risk . Security of capital is secondary to the potential for wealth accumulation. The expected average return is 14% and the likelihood of a negative return is once every 4 years.

I/we acknowledge that after completing the attached “risk profile” that my/our risk profile is:(please check)

☐ Extremely Conservative
☐ Conservative
☐ Moderately Conservative
☐ Balanced
☐ Moderately Aggressive
☐ Aggressive

Investment Objectives

Your Statement of Advice should take into consideration factors that are considered important to you. In designing your Statement of Advice could you please rate the following objectives in their order of importance to you. Please add any other financial objectives not in this list. Please rate each item in order of their importance to you by placing a circle around the relevant number.

The numbers represent:

1. Not important
2. Slightly important

3. Important
4. Very important

Use the last column to list the objectives in order of their priorities with "A" being the client's main priority.

Objective Importance:					Priority
Generate more income	1	2	3	4	
Invest for capital growth/wealth creation	1	2	3	4	
Invest in tax advantaged investments	1	2	3	4	
Invest to minimize the impact of inflation	1	2	3	4	
Invest in a regular savings and/or retirement plan	1	2	3	4	
Flexibility	1	2	3	4	
Security of capital	1	2	3	4	
Retirement planning	1	2	3	4	
Education planning	1	2	3	4	
Investment/portfolio management	1	2	3	4	
Asset Allocation	1	2	3	4	
Diversification	1	2	3	4	
Other	1	2	3	4	

Other Objectives (Please provide details):

Signed: ____Date:__________________

Signed:____Date:__________________