



# Dynamic Planner Risk Profiler

20 Questions

# 1 Introduction

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To give you financial advice, we need to understand your experiences with financial products and how you approach risk. Someone in a strong financial position may be able to take more risk with their investments, because if their investment falls in value, they will not be left out of pocket. Someone with less money available would be likely to take a more cautious approach, because they are less able to afford to lose money. Your approach to investing is also likely to change over your lifetime, as life events such as marriage, the birth of a child or retirement change how you regard risk. We do this with 3 short sets of questions; it normally takes about 5 minutes to complete the whole process:

- First, we ask about your experience investing with different financial products.
- Next, we find out how you think about risk - how much risk you would be prepared to take in different situations.
- Finally, we ask a few questions to help us understand how much risk you are able to take given your current financial position.

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

## 2 Your Investing Experience

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To provide you with financial advice, we first need to understand how experienced you are with investing.

1. Have you ever invested in cash based savings and deposits, such as savings accounts, cash ISAs or savings bonds?
  - Yes, I invested after taking financial advice
  - Yes, I invested without taking financial advice
  - No
2. Have you ever invested in pensions where you could control the selection of funds to invest in (not a final salary scheme)?
  - Yes, I invested after taking financial advice
  - Yes, I invested without taking financial advice
  - No
3. Have you ever invested in collective investments such as funds in a stocks and shares ISA, OEICs, unit trusts or investment trusts?
  - Yes, I invested after taking financial advice
  - Yes, I invested without taking financial advice
  - No
4. Have you ever bought or sold shares on the stock market?
  - Yes, I invested after taking financial advice
  - Yes, I invested without taking financial advice
  - No
5. Have you ever invested in other investments (structured products, venture capital trusts, enterprise investment schemes, alternative investments or unregulated investments)?
  - Yes, I invested after taking financial advice
  - Yes, I invested without taking financial advice
  - No
6. How often do you review the value of your pensions and 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
7. If the value of your investments has ever fallen, how did you respond?
  - 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

8. How would you describe your level of investment experience?

- Not at all experienced: I'm not very comfortable with investing
- 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

9. If you would like to make any other comment about your previous experience, education or profession which you feel may be relevant to your investment knowledge or experience, please do so here (optional):

# 3 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 or disagree	Agree	Strongly agree
1. Compared to the average person, I would say I take more risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. I would be willing to risk a percentage of my income / capital in order to get a good return on an investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. To achieve high returns, it is necessary to choose high-risk investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. I have been extremely cautious in my past financial investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. Even if I experienced a substantial loss on an investment, I would not be put off making risky investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. I believe that it is reckless to take financial risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. When I'm faced with a financial decision I am generally more concerned about the possible losses than the probable gains	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8. I would rather know that I was getting a guaranteed rate of return than be uncertain about my investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
9. Compared to the average person, I take lower financial risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10. I would rather put my money in a bank account than invest in shares	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11. I do not feel comfortable with financial uncertainty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12. If my investment portfolio dropped significantly in value during the first three months, it would not bother me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13. I would never take a chance with any amount of money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14. I would accept potential losses in order to pursue long-term investment growth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
15. I believe that the only way to make money is to take financial risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16. Taking financial risks is important to me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17. I would be happy investing a large proportion of my income / capital in a high-risk investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
18. I would feel comfortable investing in shares	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
19. How comfortable do you feel when you take a financial risk?	Not at all comfortable	Slightly comfortable	Moderately comfortable	Comfortable	Very comfortable
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

20. Overall, how would you place yourself on the following scale?

Risk averse



Somewhat risk averse



Neither risk averse nor a risk taker



A moderate risk taker



A risk taker



# 4 Your Capacity for Risk

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

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



# 5 Client declaration

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Client's name	
Date	
Client's signature	

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Distribution Technology Ltd  
Sovereign House  
Vastern Road  
Reading  
RG1 8BT

**Email** sales@distribution-technology.com

**Telephone** +44 (0)118 903 5850

**Fax** +44 (0)118 950 3765

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