



Client name:

Please select an option:	'tick'
This questionnaire relates to your 'generic' risk profile?	
This questionnaire relates specifically and only to the pension assets managed by Simply Retirement for my retirement, to provide a retirement income.	
This questionnaire specifically and only pertains to your Risk Profile for a specific asset? (please list the asset):	

Question Number	Risk Questions	Strongly Disagree	Disagree	No Strong Opinion	Agree	Strongly Agree
1	People who know me would describe me as a cautious person.					
2	I feel comfortable about investing in the stock market.					
3	I generally look for safer investments, even if that means lower returns.					
4	Usually, it takes me a long time to make up my mind on investment decisions.					
5	I associate the word "risk" with the idea of "opportunity".					
6	I generally prefer bank deposits to riskier investments.					
7	I find investment matters easy to understand.					
8	I am willing to take substantial investment risk to earn substantial returns.					
9	I've little experience of investing in stocks, shares, or investment funds.					
10	I tend to be anxious about the investment decisions I've made.					
11	I'd rather take my chances with higher risk investments than have to save more.					
12	I'm not comfortable with the ups and downs of Stockmarket investments.					



Capacity for loss Questions

I am flexible about my investment horizon – I could wait before using my investment	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
I don't have any significant outstanding debts and don't expect to incur any during the period of my investment (e.g., mortgage or credit cards)	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
It would be relatively easy for me to cut my spending in retirement if circumstances require	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
I will need to start spending my investment at the following point in the future: My investment horizon is:	Less than 3 years	3 – 9 Years	10 – 14 Years	15 Years +	
My spouse or partner (or another family member) is likely to be able and willing to support me financially if circumstances require	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree

If this Risk Profile is being completed for a specific investment, managed by Simply Retirement, for your retirement income, please provide some context of the importance of the asset:

Please select an option:	'tick'
These are not my only provision for retirement and I am not reliant on this fund to provide me with an income.	
These are not my only provision for retirement and I am not reliant on this fund to meet my 'core / essential' income needs.	
These are not my only provision for retirement but I am partially reliant on this fund to provide me with a retirement income and meet my 'core / essential' income needs.	
These are my only provision for retirement and I am entirely reliant on these to meet my 'core / essential' income needs.	



Attitude To Risk	Description
Cautious	Cautious Investors are risk averse and typically have very limited experience and understanding of investments. They often take a long time to make investment decisions and tend to be anxious about any investment decisions they have made. They tend to associate risk with potential loss rather than opportunity. They typically look for investments with lower investment risk rather than seeking higher returns. They generally prefer bank accounts and are less willing to invest in stocks, shares and investment funds. Some cautious investors will be unwilling to take any investment risk at all. Cautious investors are more risk averse than about 90% of the investing population (i.e. compared to 9 people out of 10).
Moderately Cautious	Moderately Cautious Investors have fairly limited experience and understanding of investments. They often take a long time to make investment decisions and tend to be anxious about any investment decisions they have made. They are inclined to associate risk with potential loss rather than opportunity. They may prefer bank accounts or lower risk investments to higher returning but riskier investments (such as stocks, shares and investment funds). However, they may be willing to take some risk, once the relationship between risk and higher returns has been explained to them. Moderately Cautious Investors are more risk averse than about 70% of the investing population (i.e. compared to 7 people out of 10).
Balanced	Balanced Investors have an attitude to risk in the middle 50% of the investing population and are neither very risk averse nor inclined to seek riskier investments. They often have some experience and understanding of investments. They can usually make investment decisions without too much hesitation or anxiety. They may find more comfort in banks accounts and lower risk investments than stocks, shares and investment funds, but understand that investment risk may be required to meet their investment goals.
Moderately Adventurous	Moderately Adventurous Investors usually have some experience and understanding of investments. They tend to make investment decisions fairly quickly and are not generally anxious about the investment decisions they have made. They normally view risk as a source of opportunity rather than a threat and will understand how taking investment risk can help meet their investment goals. The potentially higher returns from higher investment risk will make investing in stocks, shares and investment funds more appealing than lower risk investments and bank deposits. Moderately adventurous investors are more tolerant of risk than about 80% of the investing population (i.e. compared to 8 people in 10).
Adventurous	Adventurous Investors often have substantial experience and understanding of investments. They usually make investment decisions quickly and are not likely to be anxious about the investment decisions they have made. They typically view risk as a source of opportunity rather than a threat and will understand how taking investment risk can help meet their investment goals. They are comfortable investing in stocks, shares and investment funds and prefer riskier, but potentially higher returning, investments to keeping money in bank deposits. Adventurous Investors are more risk tolerant than about 95% of the investing population (i.e. compared to 95 people out of 100).



Capacity for loss boundaries

Each Strategic Asset Allocation (SAA) is targeted to achieve the highest possible return but restricted to not having a capacity for loss value greater than the boundaries specified in the table below:

Attitude to Risk	Capacity for Loss	Maximum Gain	Mean Gain
Cautious	-7.50 %	18.36%	5.88%
Moderately Cautious	-12.50 %	23.71%	6.91%
Balanced	-17.50 %	28.40%	7.70%
Moderately Adventurous	-22.50 %	34.63%	8.55%
Adventurous	-27.50 %	38.29%	8.63%

The capacity for loss figure is based on:

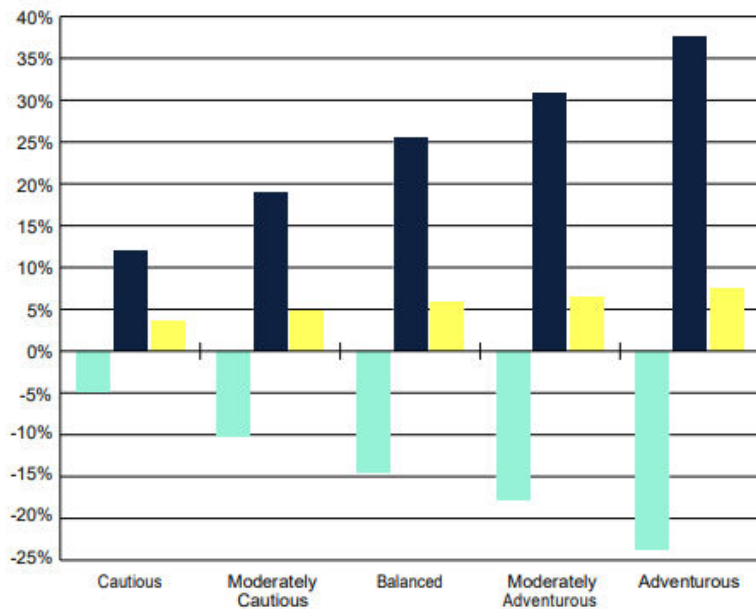
- No minimum allocation to any particular asset class
- The capacity for loss figures have a tolerance of 10% so that at any one time the particular allocations may be different from the table above
- The SAA's are created assuming a projection term of 10 years
- They are reviewed on a bi-annual basis
- The SAA's are based on lump sum accumulation and not on regular income

The Capacity for Loss Quotient

There are three key metrics taken from the distribution of investment outcomes from the stochastic model: the 'Minimum gain' which is the 95th percentile, the 'mean gain' which is the average and the 'maximum gain' which is the 5th percentile. The 'Minimum gain' is also known as the 'Capacity for Loss' quotient. The investment outcomes at and below this point represent the 5% worst outcomes from the simulation. From a standard £10k investment over a ten year term, the following bar graph illustrates how the model tracks the pay off between 'risk' and 'return'.

Key:

■	Minimum (5% chance) Gain in a 1 year Period
■	Maximum (5% chance) Gain in a 1 year Period
■	Average (Mean) Gain in a 1 year Period





Notes on discussion for agreed risk strategy with client:

What knowledge and experience does the client have to understand the risks? How significant is this asset for the client's objectives? What other assets exist? What is the expected term for the investment?

Tolerance for Loss: Amount client willing to lose in any 1 year =

Capacity for Loss: Amount client can afford/is able to lose in any 1 year =

Agreed risk profile to proceed with -

Client signature..... Date.....

	Discussed concept of potential volatility in the short term and remaining invested in the hope that the market will recover to provide a positive and long term growth rate. (Would the client be prepared to 'sit tight'?)
Notes:	
	Discussed the concept of Sequence of Returns and how the growth expected is unlikely to be received as a steady average rate each year. E.G., a 4% return might be from a 3 year performance history of 10%, -4% and 6%.
Notes:	
	Discussed the concept of Pound Cost Ravaging. I.E., how the fund would be adversely affected and losses compounded if withdrawals were being made in periods of poor or low performance (following on from above)...
Notes:	



Question Number	Strongly Disagree	Disagree	No Strong Opinion	Agree	Strongly Agree	Total
1	4	3	2	1	0	
2	0	1	2	3	4	
3	4	3	2	1	0	
4	4	3	2	1	0	
5	0	1	2	3	4	
6	4	3	2	1	0	
7	0	1	2	3	4	
8	0	1	2	3	4	
9	4	3	2	1	0	
10	4	3	2	1	0	
11	0	1	2	3	4	
12	4	3	2	1	0	

ATR Level	Score Range
Cautious	0 – 9
Moderately Cautious	10-15
Balanced	16-26
Moderately Adventurous	27-35
Adventurous	36-48