

**CLIENT RISK PROFILE QUESTIONNAIRE**

**Financial Advisor: Bluechip Capital Services Pvt. Ltd.**

Client's Name : \_\_\_\_\_

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**A. Personal particulars**

1. Where can we reach you? (You prefer mail being sent to: Office  Home )

At office: \_\_\_\_\_

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By phone/s: \_\_\_\_\_ by fax: \_\_\_\_\_

By e-mail: \_\_\_\_\_

At home: \_\_\_\_\_

\_\_\_\_\_

By phone/s: \_\_\_\_\_ by fax: \_\_\_\_\_

2. If married, do you wish to include your spouse in your life cycle plan ? Y/ N / NA

If Yes, please give us his/her contact details: Name: \_\_\_\_\_

At office: \_\_\_\_\_

\_\_\_\_\_

By phone/s: \_\_\_\_\_ by fax: \_\_\_\_\_

By e-mail: \_\_\_\_\_

3. Your date of birth is: \_\_\_\_\_ and your spouse's: \_\_\_\_\_

Your Children's name & date of Birth (wherever applicable):

a). \_\_\_\_\_

b). \_\_\_\_\_

## **RISK PROFILING**

### **Important Notice to Clients**

In order for us to provide financial planning advice to you, we need to have a reasonable basis for that advice. The information requested in this Client Risk Profile Questionnaire is one of the tools we use to establish a basis for the advice we will provide. It is therefore important for you to complete this document as accurately and fully as possible. Failure to do so could result in advice being provided that is not appropriate to your individual needs, circumstances and objectives.

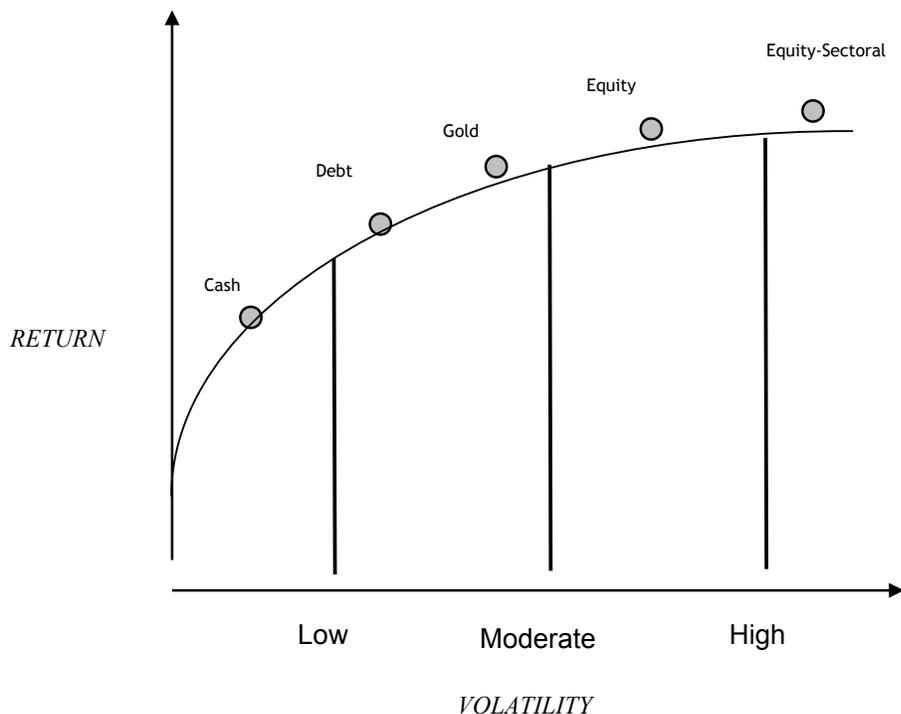
### **NOTE TO CLIENT/S**

This section of the Fact Find should be completed with the assistance of your Relationship Manager to ensure you fully understand the outcome from this section. Your Relationship Manager will educate you on the investment risk and return functions and their relationship with each other; the various asset classes and their potential risks and features.

## **THE INVESTMENT RISK AND INVESTMENT RETURN RELATIONSHIP**

### ***THE RISK-RETURN CHART***

The relationship between long term risk (volatility) and return in different asset classes is illustrated below.



### **Please complete the below questionnaire in full.**

It is important that you answer each question accurately and honestly, otherwise it may result in an investment risk profile that is not suitable for your investment portfolio or that does not adequately reflect your current attitude towards investing.

## YOUR Investment Risk Profile Levels

Investment risk refers to the level of volatility or fluctuation that a person is prepared to accept in investment returns – including the potential risk of loss of some capital in the short-term, and the potential risk that retirement goals may not be met in the longer term. Volatility refers to the unpredictable upward and downward movements in investment values over a period of time.

**Please answer all the questions below by ticking (✓) only ONE of the options for each question. Choose the option that BEST indicates how you feel about each question.**

1. What is your Investment horizon? How long can you keep your money invested in the market before needing access to it?
  - a) Up to two years
  - b) Two and three years
  - c) Three and five years
  - d) Five years and Ten years
  - e) Ten years and more
  
2. The age group you belong to:
  - a) 51 years & above
  - b) 36-50 years
  - c) 25-35 years
  - d) Less than 25 years
  
3. How well do you understand investing in the markets?
  - a) I am a novice. I don't understand the markets at all.
  - b) I have basic understanding of investing. I understand the risks and basic investment concepts like diversification.
  - c) I have an amateur interest in investing. I have invested earlier on my own. I understand how markets fluctuate and the pros and cons of different investment classes.
  - d) I am an experienced investor. I have invested in different markets and understand different investment strategies. I have my own investment philosophy.
  
4. My current and future income sources (example: salary, business income, investment income etc) are:
  - a) Very unstable
  - b) Unstable
  - c) Somewhat stable
  - d) Stable
  - e) Very Stable
  
5. From the following 5 possible investment scenario, please select the option which defines your investment objective?
  - a) I cannot consider any Loss
  - b) I can consider Loss of 4% if the possible Gains are of 10%
  - c) I can consider Loss of 8% if the possible Gains are of 22%
  - d) I can consider Loss of 14% if the possible Gains are of 30%
  - e) I can consider Loss of 25% if the possible Gains are of 50%
  
6. If your investment outlook is long-term (more than five years), how long will you hold on to a poorly performing portfolio before cashing in?

- a) Not hold & cash in immediately if there is an erosion of my capital
  - b) I'd hold for 3 months
  - c) I'd hold for 6 months
  - d) I'd hold for one year
  - e) I'd hold for up to two years
  - f) I'd hold for more than two years.
7. Volatile investments usually provide higher returns and tax efficiency. What is your desired balance?
- a) Preferably guaranteed returns, before tax efficiency
  - b) Stable, reliable returns, minimal tax efficiency
  - c) Some variability in returns, some tax efficiency
  - d) Moderate variability in returns, reasonable tax efficiency.
  - e) Unstable, but potentially higher returns, maximising tax efficiency.
8. If a few months after investing, the value of your investments declines by 20%, what would you do?
- a) Cut losses immediately and liquidate all investments. Capital preservation is paramount.
  - b) Cut your losses and transfer investments to safer asset classes.
  - c) You would be worried, but would give your investments a little more time.
  - d) You are ok with volatility and accept decline in portfolio value as a part of investing. You would keep your investments as they are.
  - e) You would add to your investments to bring the average buying price lower. You are confident about your investments and are not perturbed by notional losses.
9. Which of these scenarios best describes your "Risk Range"? What level of losses and profits would be comfortable with?

Select	Choice	Worst Year	Best Year
a)	Investment A	1%	15%
b)	Investment B	-5%	20%
c)	Investment C	-10%	25%
d)	Investment D	-14%	30%
e)	Investment E	-18%	35%
f)	Investment F	-21%	40%

Below is the score-card that we will use to determine your risk profile, which in turn shall determine your asset allocation mix.

Question no:	A	B	C	D	E	F	Score
1	1	2	3	4	5	-	
2	1	2	3	4	-	-	
3	1	2	3	4	-	-	
4	1	2	3	4	5	-	
5	1	2	3	4	5	-	
6	1	2	3	4	5	6	
7	1	2	3	4	5	-	
8	1	2	3	4	5	-	
9	1	2	3	4	5	6	
Total							

<b>Conservative</b>	<b>Score grid 08-19</b>
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You are an investor who is prepared to accept lower returns with lower levels of risk in order to preserve your capital. The negative effects of taxation and inflation will not be concern to you, provided your initial investment is protected. As a conservative investor, you might expect your portfolio to be allocated up to 15% in growth assets, with the remainder in defensive assets.

<b>Moderate</b>	<b>Score grid 20-29</b>
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You are an investor who would like to invest in both income and growth assets. You will be comfortable with calculated risks to achieve good returns; however, you require an investment strategy that adequately deals with the effects of inflation and tax. As a moderate investor, you might expect your portfolio to be allocated up to 35% in growth assets, with the remainder in defensive assets.

<b>Balanced</b>	<b>Score grid 30-39</b>
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You are an investor who is comfortable with a high volatility and high level of risk in order to achieve higher returns over long term. Your objective is to accumulate assets over long term by primarily investing in growth assets. As an aggressive investor you might expect your portfolio to be allocated up to 65% in growth assets.

<b>Aggressive</b>	<b>Score grid &gt; 40</b>
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You are an investor who is comfortable with a higher level of risk in order to achieve potentially higher returns. Capital security is secondary to potential wealth accumulation. As a high growth investor, you might expect your portfolio to be allocated < 65% in growth assets over long term.

**CONFIRMATION OF RISK PROFILE**

After having arrived at the ratings under “Investment Risk Profile Types” and in consideration of your investment objectives – Which profile you prefer the most and if you want to share any inputs on the same do enter in the Remarks column.

Preferred Risk Profile	Remarks

**INVESTMENT RISK PROFILE ACCEPTANCE DECLARATION**

I/We confirm that the details recorded in the “Risk Profile Determination Questionnaire” are correct and reflect my/our true financial position and understanding and investment risk profile.

I/We confirm that I/we have read and understood our agreed Risk Profile selection and would like this profile applied to my/our funds available for investment.

		<i>Date</i>
<b>Client signature</b>		/ /