

# Investor Profile Questionnaire

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Client Name(s):

Date:

Prepared by:

Balancing your investment goals against potential returns, risk factors, and tax consequences in today's world is complicated. We are committed to understanding you and your unique circumstances. We can help by creating sound investment strategies that secure your future.

You are about to embark on an exercise that will define what is important to you as an investor. We will analyse and gather information about your needs as they relate to return expectations, sensitivity to fluctuations in market prices, investment time horizon and liquidity needs.

## Your Current Financial Situation

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1. What is your age category?

- i) Over 70 years
- ii) 60-69 years
- iii) 50-59 years
- iv) 35-49 years
- v) Under 35 years

Score:

2. What best describes your annual household gross income from all sources?

- i) Under \$50,000
- ii) \$50,001 to \$100,000
- iii) \$100,001 to \$250,000
- iv) \$250,000 to \$500,000
- v) Over \$500,000

Score:

3. How stable are your current and future income sources? (Income stability refers to the predictability and consistency of your current and future incomes).

- i) Unstable
- ii) Somewhat stable
- iii) Stable

Score:

4. How would you classify your overall financial situation?

- i) No savings and significant debt.
- ii) Little savings and a fair amount of debt.
- iii) Some savings and some debt.
- iv) Some savings and little/no debt.
- v) Significant savings and little/no debt.

Score:

5. What best describes your total net liquid assets? (i.e. cash/securities less loans)

- i) Under \$100,000
- ii) \$100,001 to \$500,000
- iii) \$500,001 to \$1,000,000
- iv) Over \$1,000,000

Score:

6. What best describes your total net fixed assets? (i.e. fixed assets (buildings/land) less liabilities (debts/loans))

- i) Under \$100,000
- ii) \$100,001 to \$500,000
- iii) \$500,001 to \$1,000,000
- iv) Over \$1,000,000

Score:

7. What type of investments have you owned in the past?

- i) GICs and/or Government Bonds
- ii) GICs, Government Bonds and Mutual Funds
- iii) GICs, Government Bonds, Mutual Funds, Stocks and/or Bonds
- iv) GICs, Government Bonds, Mutual Funds, Stocks, Bonds, Options and Alternative Investments

Score:

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

- i) Low/None – you are an individual who has only limited investment knowledge and experience and may not have a full understanding of the basic characteristics of the various types of securities or of the degree of risk associated with trading these securities.
- ii) Moderate – you are an individual who has either traded in or has knowledge of the basic characteristics of fixed income securities, common shares and mutual funds, and who also has a basic understanding of the degree of risk and reward inherent in trading these types of securities.
- iii) High – you are an individual who has traded in most types of investment securities. This would include knowledge of options, commodities, speculative and short selling strategies and an appreciation of the risks and rewards involved in trading these securities.

Score:

## Investment Goals and Time Horizon

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Investment goals can be associated with special events or plans, such as the purchase of a family cottage, retirement or completing long awaited home renovations.

9. What is the main goal for your investment portfolio with us? (Check all that apply)

- i) Retirement savings
- ii) Estate (generation transfer)
- iii) To supplement current income
- iv) To fund core expenditures (house, education, business)
- v) Other:

10. Time Horizon: an important consideration when making investment decisions is how long you have before you will need to start withdrawing funds to achieve your investment goals. Please indicate your portfolio's appropriate time horizon.

- i) Short-term (Less than 3 years)
- ii) Medium-term (3 to 7 years)
- iii) Long-term (Over 7 years)

Score:

## Liquidity

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To avoid borrowing or selling investments at an inopportune time, you should retain sufficient liquid assets to handle emergencies.

11. Do you plan on making significant withdrawal (at least 25% of the portfolio value) from your investments?

- i) Yes, within the next 18 months.
- ii) Yes, within the next 2 to 5 years.
- iii) Yes, within the next 5 to 10 years.
- iv) Yes, within the next 10 to 15 years.
- v) No significant withdrawals are planned.

Score:

12. Do you currently require any income from your investment portfolio on a regular basis?

- i) Yes, all the income generated and a portion of the capital.
- ii) Yes, all the income generated.
- iii) Yes, a portion of the income with the balance re-invested.
- iv) No, all the income should be re-invested.

Score:

## Risk Tolerance

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Tolerance for risk relates to an investor's level of comfort with fluctuating account values. For investors with low risk tolerance, consistent returns with little variation are most appropriate. For investors with higher tolerance for risk, returns may be less consistent and could vary widely from year to year, however the reward for accepting higher risk is the potential to realize higher long term returns.

13. Which of the following statements best describe your actual approach to investing?

- i) I would feel most comfortable investing in vehicles that generate a more stable return year to year, as opposed to investments that fluctuate widely.
- ii) I prefer roughly half my assets be invested in fixed income securities, which tend to be less volatile and the balance be invested in equities which tend to be more volatile.
- iii) I am comfortable with volatility, knowing that in the short-term, this strategy may result in declines in value, but that in the long-term, I have a better chance of higher returns.
- iv) I seek more aggressive investments, knowing that in the short-term, this strategy may result in declines in value, but that in the long-term, I have a better chance of higher returns.

Score:

14. Which of the following best describes your level of comfort with investing?

- i) I am extremely safety conscious.
- ii) I understand there are risks to investing and the risk should always be minimized
- iii) I am comfortable with taking some risk as long as there will be a reasonable long-term return.
- iv) I am comfortable with higher risk investments because of the potential for higher long-term returns.

Score:

15. How would you react to a substantial decline in the stock market?

- i) I would be uncomfortable and switch to less volatile investments.
- ii) I would be uncomfortable and do nothing.
- iii) I would be comfortable and do nothing.
- iv) I would be comfortable and view this as a buying opportunity.

Score:

16. Which portfolio illustrated below represents a portfolio you would feel comfortable with? Potential value of \$100,000 Portfolio after 1 year:

- i) Best outcome \$102,000, worst outcome \$100,000
- ii) Best outcome \$112,000, worst outcome \$90,000
- iii) Best outcome \$118,000, worst outcome \$85,000
- iv) Best outcome \$124,000, worst outcome \$80,000

Score:

17. Do you agree with this statement: "My investments are for the long-term. The cumulative results are more important than the short-term results."?

- i) No, I totally disagree. Negative returns are not acceptable.
- ii) I can accept some variation in the returns as a trade-off for modest growth
- iii) I can accept larger fluctuations in the portfolio's value for greater growth potential in the long-term.
- iv) Yes, I agree totally with the statement.

Score:

## Investment Returns

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Return on investment can mean different things to different people. There are two main types of return: the first relates to interest or dividends paid to the holders of a security and the second relates to the capital appreciation or depreciation of those securities. Total return includes interest, dividends and the capital appreciation/depreciation of the securities.

18. Which statement best describes the total returns you would like your investments to achieve?

- i) Positive returns that are lower but offer greater safety of capital.
- ii) Positive returns that offer safety of capital but also the potential for growth.
- iii) Returns that approximate index returns in the stock and bond markets.
- iv) Returns that exceed index returns in the stock and bond markets.

Score:

19. How important is interest and dividend income to you?

- i) Interest and dividend income is very important and must be known ahead of time.
- ii) Interest and dividend income is important, but I am willing to accept some uncertainty about the amount.
- iii) The portfolio should generate a modest flow of income.
- iv) Interest and dividend income earned in the portfolio is not important.

Score:

20. How important is it for your investment portfolio to stay ahead of inflation so that your purchasing power can be maintained over time?

- i) Not as important as preserving my capital.
- ii) I would like to preserve my purchasing power, keeping pace with inflation.
- iii) I would like to stay ahead of inflation and meet other investment needs such as growth.
- iv) It is essential to get an investment return which exceeds inflation and improves my purchasing power.

Score:

## Determine the profile

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Ability to Assume Risk Score

Ability to Assume Risk Rating

Score	Rating
0 to 15	Little or no flexibility to assume risk
16 to 30	Little to moderate flexibility to assume risk
31 to 45	Moderate ability to assume risk
46 to 60	Moderate to significant ability to assume risk
61 and above	Significant ability to assume risk

The most suitable Investor Profile is:

Overall Investor Profile Score

Investment Objective

Risk Tolerance

The table below details the full range of possible scores and their corresponding Investor Profile:

Score	Investment Objective	Risk Tolerance
Less than 26	Defensive	Low
27 to 57	Income	Low to Medium
58 to 78	Balanced	Low to Medium
79 to 99	Balanced Growth	Medium
100 to 120	Growth	Medium to High
121 or greater	High Growth	Medium to High