# Investment profile questionnaire

IG PRIVATE WEALTH MANAGEMENT

ACCOUNT NUMBERS

CLIENT NAME

CLIENT NAME

CONSULTANT NAME

DATE

## Investment objective

**01 | What is the objective of this investment portfolio?**

## Investment time horizon

The length of your investment time horizon impacts the types of investments that may be suitable for you. Investors with a time horizon of greater than three years have a greater degree of flexibility when building a portfolio (although risk tolerance and investment objectives must also be considered). If you have a very short time horizon, more conservative investments like GICs or money market funds may be the only suitable option for you.

**02 | When do you expect to withdraw a significant portion (1/3 or more) of the money in your investment portfolio?**

## Investment knowledge

If you have a high level of investment knowledge, you have a good understanding of the relative risks of various types of investments and understand how the level of risk taken affects potential returns. If you have very little knowledge of investment and financial markets, speculation and high-risk investments and strategies are likely not suitable options for you.

**03 | Which statement best describes your knowledge of investments?**

# Risk capacity

Your financial situation including your assets, debt and the amount and stability of your income are all important when determining how much risk you can take with your investments.

**04 |** What is your annual income (from all sources)?

**05 |** Your current and future income sources are:

**06 |** Liquid assets are assets that you can redeem for cash quickly and easily for the purpose of covering a shortfall, an unexpected expense or a short-term goal. What is the value of your liquid assets?

**07 |** What is your estimated net worth (investments, cash, home and other real estate less mortgage loans and all other debts)?

**08 |** This investment represents approximately what percentage of your total savings and investments? (Total savings and investments include all the money you have in cash savings, GICs, savings bonds, mutual funds, stocks and bonds).

**09 |** What is your age group? (Your age is an important consideration when constructing an investment portfolio. Younger investors may have portfolios that are primarily invested in equities to maximize potential growth if they also have a higher risk tolerance and long investment time horizon. Investors who are retired or near retirement are often less able to withstand losses and may have portfolios that are invested to maximize income and capital preservation).

# Risk tolerance

Your comfort level with risk is important in determining how conservatively or aggressively you should invest. Generally speaking, you need to consider accepting more risk if you want to pursue higher returns. If you decide to seek those potentially higher returns, you face the possibility of greater losses.

**10 | Which of the following statements best describes your investment preference for this portfolio?**

Lower risk
Lower expected return

Higher risk
Higher expected return

- ◯ The safety of my investment is most important. I am willing to accept limited returns.
- ◯ I am cautious, willing to accept some investment risk to achieve my objectives.
- ◯ I would like to have a balance between risk and return potential.
- ◯ I am willing to accept higher than average investment risk to achieve a potentially higher return.
- ◯ I am willing to accept significant risk to maximize my potential return.

**11 | Determining an appropriate investment strategy involves balancing potential risk against expected returns. When making investment decisions, do you give more weight to potential losses or potential gains?**

**12 | The chart below shows the greatest one-year loss and highest one-year gain on four different investments of $500,000. Given the potential loss or gain in any one year, in which of these investments would you be most comfortable investing?**


- ◯ Either a loss of $0 or a gain of $10,000
- ◯ Either a loss of $10,000 or a gain of $25,000
- ◯ Either a loss of $40,000 or a gain of $60,000
- ◯ Either a loss of $100,000 or a gain of $125,000

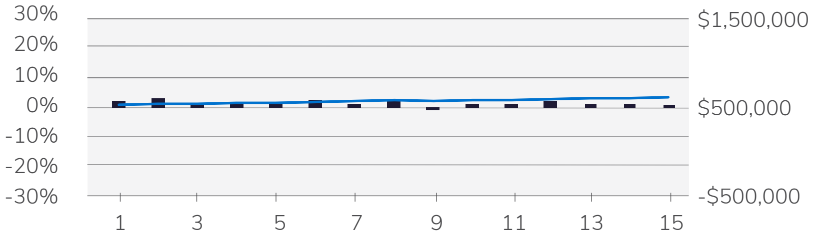
**13 |** Understanding your comfort level with periods of fluctuation in the value of your investment portfolio is important to developing an investment strategy. If the value of your investment portfolio drops too far, you may be tempted to make changes that would lock in the loss and exclude you from participating in a market recovery. What is the largest drop in the value of a $500,000 investment portfolio that you could tolerate if a financial crisis occurred?

**14 |** Which of the following portfolios would you feel most comfortable holding?

ANNUAL RETURN (%) VALUE ($)

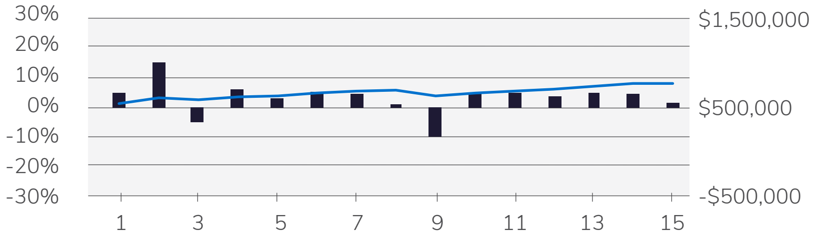
Portfolio A

Average annual growth rate: **1.5%**
Years of negative return in hypothetical 15-year period: **1**
Its worst year was a loss of **1%**



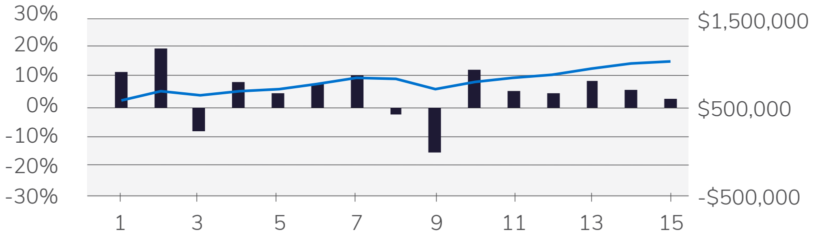

Portfolio B

Average annual growth rate: **3%**
Years of negative return in hypothetical 15-year period: **2**
Its worst year was a loss of **10%**



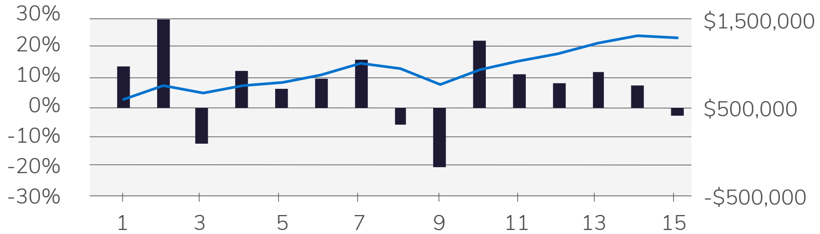

Portfolio C

Average annual growth rate: **5%**
Years of negative return in hypothetical 15-year period: **3**
Its worst year was a loss of **15%**




Portfolio D

Average annual growth rate: **6.5%**
Years of negative return in hypothetical 15-year period: **4**
Its worst year was a loss of **20%**



# Summary

**Investment objective***

Incomplete

**Time horizon***

Incomplete

**Investment knowledge***

Incomplete

**Risk tolerance***

Incomplete

**Risk capacity**

Incomplete

**Investment portfolio profile***

Incomplete

**Use this area to document any other factors that may have had an effect on your investment profile recommendation for each account.**

*Note: This information is to be applied the corresponding field on the KYC form.

ACCOUNT NUMBERS

CLIENT NAME

DATE

SIGNATURE

CLIENT NAME

DATE

SIGNATURE

CONSULTANT NAME

DATE

SIGNATURE

CLEAR FORM

PRINT FORM

SAVE FORM

# Profile summaries

Your responses in this questionnaire are used to determine your investment portfolio profile (see page 7). We have provided a definition of each investment portfolio profile below.

## Very conservative

A very conservative profile suggests that you have a very low risk tolerance. We describe a very low risk tolerance as being uncomfortable with any reduction in portfolio value and unable to tolerate even low levels of volatility from year to year, accepting that, due to inflation, there is a chance that purchasing power will not be protected.

## Conservative

A conservative profile suggests that you have at least a low risk tolerance. We describe a low risk tolerance as being uncomfortable with reduction in portfolio value, but able to tolerate low levels of variability in returns from year to year in order to protect purchasing power.

## Moderate conservative to moderate

A moderate conservative profile suggests that you have at least a medium risk tolerance. We describe a medium risk tolerance as the ability to tolerate some variability in portfolio value year to year with the opportunity for moderate capital growth, even if it comes with some periods of reduced portfolio value.

## Moderate aggressive to aggressive

A moderate aggressive profile suggests that you have at least a high risk tolerance. We describe a high risk tolerance as the ability to tolerate significant volatility in portfolio value in the interest of achieving higher long-term growth through capital gains or higher levels of income, even if it comes with periods of reduced portfolio value.

## Very aggressive

A very aggressive profile suggests that you have a very high risk tolerance. We describe a very high risk tolerance as the ability to tolerate extreme volatility in portfolio value, recognizing there is a high probability of periods with reduced portfolio value.

# Scoring methodology and profile

Your investment profile is determined based on four factors: time horizon, investment knowledge, risk capacity and risk tolerance. The values that correspond to your question responses are marked in the table below. The factor that falls farthest to the left in the table determines your investment profile. Your investment profile determines your investment portfolio profile.

| | INVESTMENT PROFILE | | | | | | |
|---|---|---|---|---|---|---|---|
| **QUESTION** | Very conservative | Conservative | Moderate conservative | Moderate | Moderate aggressive | Aggressive | Very aggressive |
| **1.** Investment objective | Not scored | | | | | | |
| **2.** Time horizon | Less than 1 year | 1 to 3 years | 3 to 6 years | | 6 to10 years | | 10 years or more |
| **3.** Investment knowledge | | | | Novice | Fair | Good | Excellent |
| **4 - 9.** Risk capacity | | Low<br>15 or less | | Medium<br>16 to 25 | High<br>26 to 40 | | Very high<br>41 or more |
| **10 - 14.** Risk tolerance | Very low<br>8 or less | Low<br>9 to 14 | Medium<br>15 to 20 | Medium<br>21 to 29 | High<br>30 to 35 | High<br>36 to 44 | Very high<br>45 or more |

| INVESTMENT PORTFOLIO PROFILE | | | | |
|---|---|---|---|---|
| Very conservative | Conservative | Moderate conservative to moderate | Moderate aggressive to aggressive | Very aggressive |

**Your investment portfolio profile is:**

Incomplete

These illustrations are based on certain assumptions that are believed to be reasonable, but there is no assurance that the actual results will be consistent with this illustration. The actual results may vary, perhaps to a material degree, from these illustrations.This questionnaire is presented as a general source of information only, and is not intended as a solicitation to buy or sell specific investments, nor is it intended to provide legal advice. Prospective investors should review the annual report, simplified prospectus, and annual information form of any fund carefully before making an investment decision. Clients should discuss their situation with their Consultant for advice based on their specific circumstances. Insurance products and services distributed through I.G. Insurance Services Inc. Insurance license sponsored by Canada Life Assurance Company. Commissions, fees and expenses may be associated with mutual fund investments. Read the prospectus before investing. Mutual funds are not guaranteed, values change frequently and past performance may not be repeated. Trademarks, including IG Wealth Management, are owned by IGM Financial Inc. and licensed to its subsidiary corporations. Mutual funds and investment products and services are offered through Investors Group Financial Services Inc. (in Québec, a Financial Services firm). Additional investment products and brokerage services are offered through Investors Group Securities Inc. (in Québec, a firm in Financial Planning). Investors Group Securities Inc. is a member of the Canadian Investor Protection Fund.