

RISK ASSESSMENT POLICY

Investor Information & Compliance

HOW WE ASSESS

We assess the risk profile of every investor before we suggest any scheme. This helps us suggest only schemes that suit the investor.

The investor answers a short written questionnaire. The questions cover when the money will be needed, what the investor wants from the investment, how the investor would react to a fall in value and how much the investor depends on this money. The investor signs the questionnaire. We keep it in the investor's file.

RISK CATEGORIES

Based on the answers, the investor is placed in one of three risk categories.

Risk category	What it means	Scheme categories that suit
Conservative	Capital protection matters more than growth.	Mainly liquid and debt schemes. Conservative hybrid and equity savings schemes for longer periods.
Moderate	Balance between growth and stability.	Hybrid schemes such as balanced advantage and aggressive hybrid. Large cap, mid cap and flexi cap schemes for longer periods.
Aggressive	Maximum growth. Able to bear a large fall in value.	Equity schemes such as flexi cap, multi cap, small cap and sectoral / thematic schemes for longer periods.

The period for which the money is invested is also considered. For a short period, lower-risk schemes are suggested in every category.

SUITABILITY CHECK

- We match the Riskometer of each scheme with the investor's risk category before we suggest it.
- We do not suggest a scheme that carries more risk than the investor's category.
- If an investor still wants a scheme above the risk category, we tell the investor in writing that it is not suitable and take a signed confirmation before the transaction.

REVIEW OF RISK PROFILE

We review the risk profile once a year. We also review it when the investor tells us of a major change, such as marriage, retirement, a new dependant or a change in income.