

# Understanding the Trust's objectives

Before we manage any investments for trustees, we carefully consider what you want to achieve and how you wish to achieve it. The Investment Policy Statement of the trust always acts as a useful basis for this purpose if available.

It is important for us to understand the trust's investment objectives – your motivation for investing, the reasons behind this and the period of time you wish to invest for.

Secondly we will consider additional factors unique to you, such as other assets, tax situation and preferences, eg. ethical views.

Finally we look to align these requirements with your attitude to investment risk – how much or how little risk

are you prepared to accept in order to meet the trustees' objectives?

Only then will we be in a position to carefully consider the information you have given us and construct a portfolio designed to meet your specific needs.

This also meets the legal obligation we have under the Financial Services and Markets Act 2000 to be able to demonstrate that we 'know our customers' and understand their situations before we give any advice.

The accuracy of the information you provide over the following pages will have a direct impact on the quality of advice we are able to subsequently provide.

<b>Name of Trust</b>			
Type of trust	<input style="width: 90%;" type="text"/>	Vesting date	<input style="width: 90%;" type="text"/>
<b>Your investment objectives</b>			
<b>1. What do you want to achieve from your investments?</b>			
Growth <input type="checkbox"/>	Income <input type="checkbox"/>	Income & growth <input type="checkbox"/>	
Income required	<input style="width: 100%;" type="text"/> <div style="display: flex; justify-content: space-between; font-size: small;"> <span>£</span> <span>net/gross</span> </div> <div style="display: flex; justify-content: space-between; font-size: small;"> <span>%</span> <span>or</span> </div>	Income frequency	
Income entitlement	<input type="text" value="Yes / No"/>	Who?	<input style="width: 90%;" type="text"/>
Income to be accumulated	<input type="text" value="Yes / No"/>		
<b>2. What time frame are you prepared to invest for?</b>			
Short (up to 5 years) <input type="checkbox"/>	Medium (5 – 10 years) <input type="checkbox"/>	Long (10 years plus) <input type="checkbox"/>	
			£ <input style="width: 90%;" type="text"/>

### 3. Existing Investment Portfolio value

Existing investments	
Cash	
Stocks and shares	
Commercial property	
Residential property	
Unlisted investments	
Other assets	
Loans	

### 4. Amount for investment now

£

Cash in reserve:

£

Notice

### 5. Specific investment preferences

Do you have an 'ethical' investment preference or bias?

Yes / No

Details:

### Offshore trusts only

Tax domicile of trust

Any other UK assets

Yes / No

Details:

Are there any specific investment exclusions to be taken into account?

Details:

## 6. Tax position

Do you wish to impose any restrictions in respect of crystallising capital gains or losses?

Yes / No

Details:

Income tax:

(Delete as appropriate)  
Normal IIP rules / Normal discretionary rules / Taxed  
on settlor / Offshore / Charity

Capital Gains Tax:

(Delete as appropriate)  
Normal IIP rules / Normal discretionary rules / Taxed  
on settlor / Offshore / Charity

Any CGT losses b/fwd:

Yes / No

Full CGT allowance:

Yes / No

Details:

## 7. Professional Advisers

Name  
Contact details

Name  
Contact details

## 8. Important information:

### Trustee bank details

Name  
Address  
  
Sort code  
Account name  
Account number


**8. Important information (cont.):**

**Trustee details**

	<b>Trustee 1</b>
Name	
Address	
Telephone number	
E-mail address	
	<b>Trustee 2</b>
Name	
Address	
Telephone number	
E-mail address	
	<b>Trustee 3</b>
Name	
Address	
Telephone number	
E-mail address	

**Income beneficiaries**

Name	Date of birth	Domicile

**Capital beneficiaries**

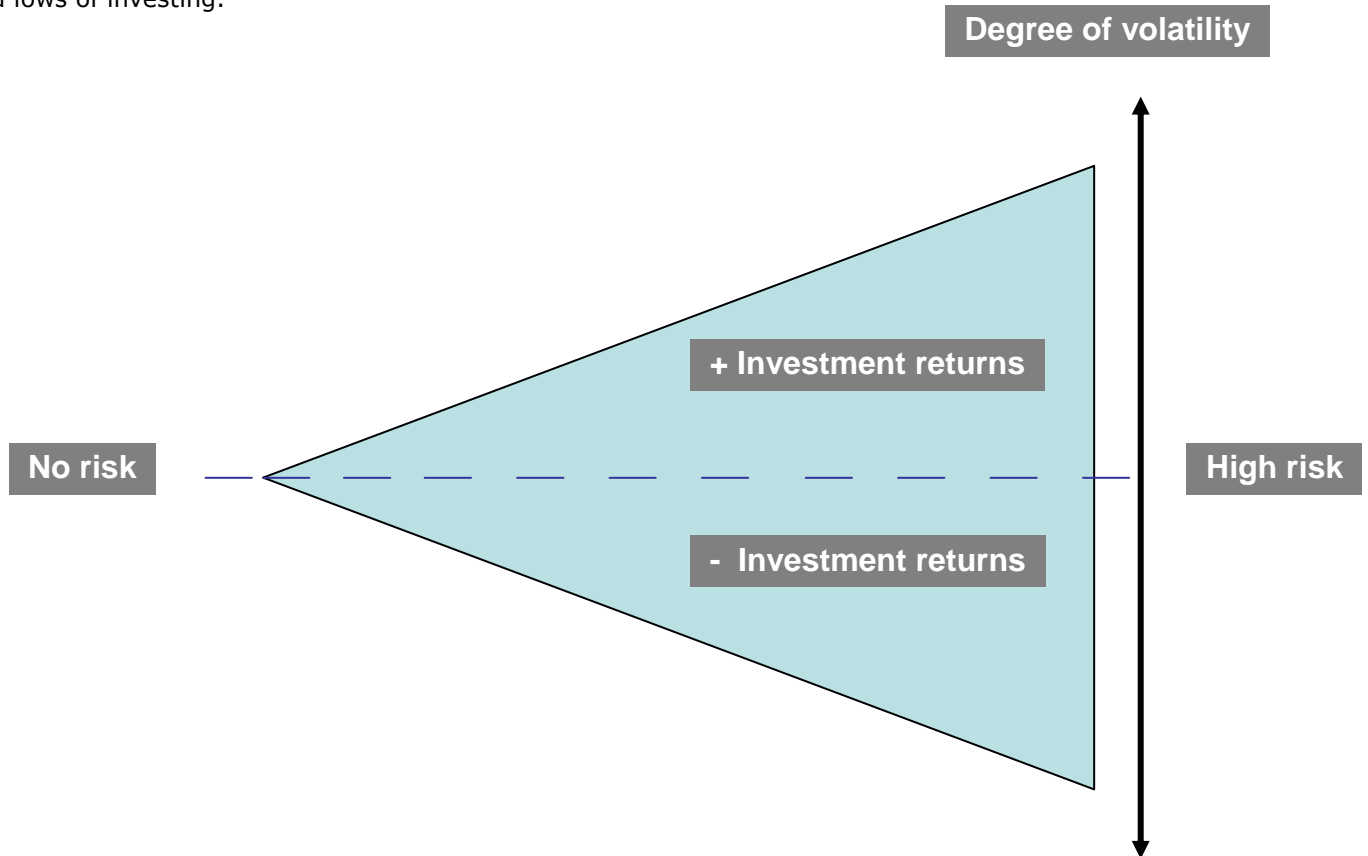
Name	Date of birth	Domicile

Please provide details if any of the beneficiaries are not in a **good** state of health

Copy of trust deed provided	Yes / No
Copy of trust Investment Policy Statement supplied	Yes / No
Trust's powers of advancement	
Trust's powers of investment	

## Understanding your attitude to risk

The previous information about the trust will help us to understand the trustee's investment objectives and current financial position. However, before we can construct a portfolio suited to your needs, it is vital that we and you clearly understand your attitude to investment risk and your capacity to absorb and live with the potential highs and lows of investing.



Different asset types carry different volatility risks to your capital. Generally, over the longer term, more volatile asset types will deliver returns superior to lower risk asset types but along the way expose your capital to a greater degree of volatility, i.e. the ups and downs in the value of your investment. A client's capacity for risk is generally a measure as to how great the degree of volatility you are comfortable exposing your capital to in the pursuit of positive investment returns.

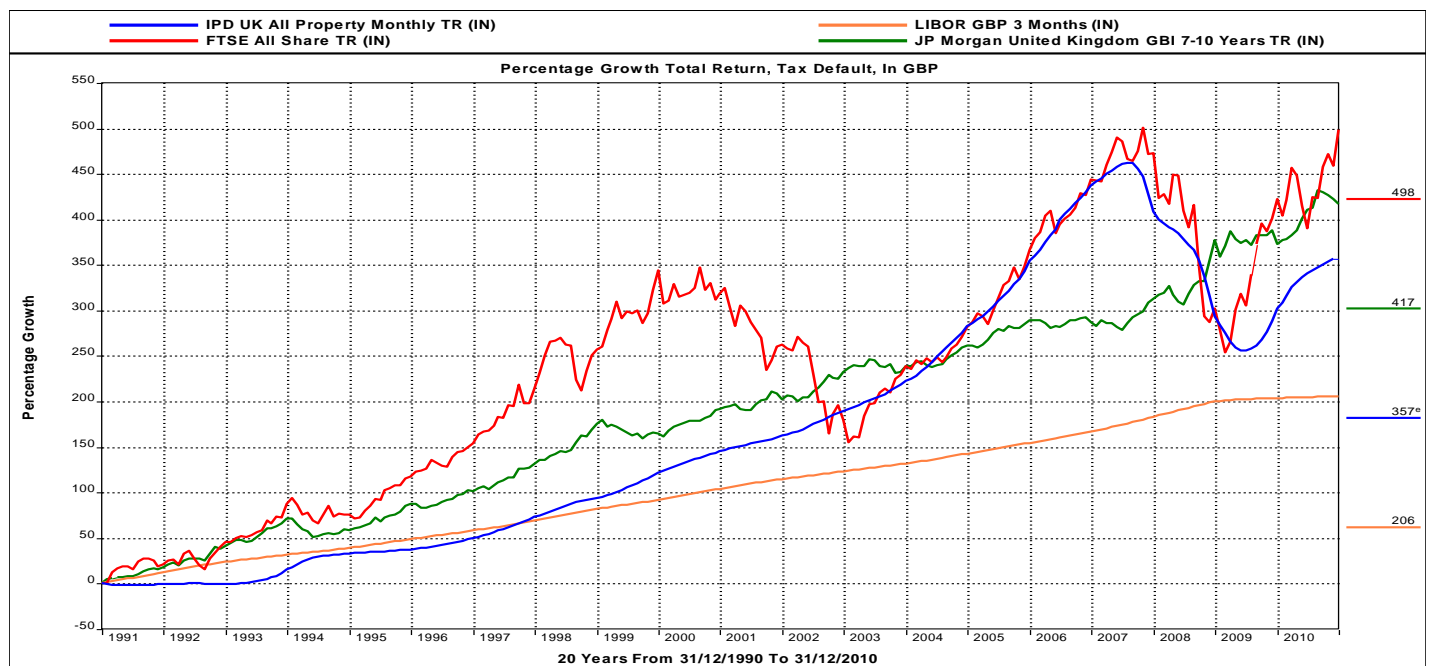
**In summary, based on your views relating to the above, what statement best describes the trustees' investment objectives for this investment?**

- a) We prefer no risk and want to keep the capital secure
- b) We can accept small, short term losses, but are still concerned about the safety of the investment
- c) We are seeking a balance between safety and investment growth potential
- d) We are seeking investment growth and are prepared to accept some losses for potentially higher growth
- e) We are willing to accept significant risk and potential losses in the pursuit of higher long term investment growth

In understanding your longer term investment objectives we need to assess your desire for superior investment returns over your desire to maintain the value of your capital over the short term, and agree your balance of risk versus reward.

The following graph highlights the performance of the four major asset classes; equities, fixed interest, property and cash. The graph illustrates the dramatic performance of property over the past 10 years. However, from a risk perspective, the graph also illustrates that over the longer term, history has proved that equities have delivered strong returns. The graph also illustrates that equities have also experienced the highest levels of volatility over this same period. This compares with lower volatile asset classes such as cash and fixed interest which have obviously enjoyed a smoother journey but not delivered the same level of return over the long term.

## Growth by asset class



User may have modified the original chart and axis titles provided by Lipper.

**In summary, which of the following statements best describes the trustees' attitude to short term ups and downs in the value of the trust's capital?**

- Minimising the risk of a drop in the value of the investment is critical, so we are willing to accept the lower long term returns offered by conservative investments
- Taking some short term drop in value in an effort to achieve higher long term returns is acceptable. We would prefer the majority of the capital to be held in conservative investments
- Achieving a balance between conservative and higher returns is our aim and we accept that there will be a degree of short term value fluctuation
- Seeking higher long term returns is important to us, so we are willing to accept the substantial short term drops in value that may result from investing in more speculative investments
- Maximising long term investment returns is our main objective and we are willing to accept large and sometimes dramatic short term drops in value.

## Client Declaration

We understand that all information provided will be treated with the strictest confidence.

Any advice which we may receive will be given on the basis of the information held in this 'Investment Objectives and Investment Risk' questionnaire and in the 'additional details' questionnaire as appropriate.

We will not be under any obligation to accept any recommendations which may be made.

### SIGNED

**Trustee**

**Trustee**

**Date**

**Date**

**Trustee**

**Trustee**

**Date**

**Date**

**Please provide below any other information you consider important.**