

## Risk Tolerance Summary

RISK RATING	STATEMENT OF ATTITUDE	RISK DESCRIPTION	MANAGED FUND	SUGGESTED PORTFOLIO																				
Risk category 1  Secure	<p>You are not prepared to accept any fluctuation which could result in a loss to your capital.</p> <p>You do not want to put your capital into an equity based investment</p> <p>Your preference is to put your capital in safer deposit based investments.</p> <p>You understand that you run the risk that inflation may reduce the real buying power of your capital over time</p>	<p>These investments provide a secure home for the amount invested but can only be expected to offer relatively low growth over the medium to long term.</p> <p>They cannot fall in actual value but can fall in value in "real " terms due to the effects of inflation</p>		<p>Cash Deposit Accounts National savings certificates</p>																				
Risk category 2  Defensive	<p>You are looking for a return that is likely to be slightly better than that available from the average UK deposit account, although this cannot be guaranteed.</p> <p>You are willing to place some of your capital in UK equity based investments.</p> <p>You would feel uncomfortable if your investments rise and fall rapidly.</p> <p>You accept that the value of your original investment can fall as well as rise.</p>	<p>These investments expose your capital/income to a relatively modest degree of risk in exchange for some growth potential.</p> <p>They have the potential to provide regular income, or, over the medium to long term, a relatively modest amount of capital growth.</p> <p>The capital value of your investments may fluctuate.</p>		<table> <tr> <td>Cash</td> <td>15%</td> </tr> <tr> <td>UK Equity</td> <td>15%</td> </tr> <tr> <td>Fixed Interest</td> <td>60%</td> </tr> <tr> <td>Property</td> <td>10%</td> </tr> </table>	Cash	15%	UK Equity	15%	Fixed Interest	60%	Property	10%												
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Risk category 3  Cautious	<p>You are looking for an investment where the return may be better than that available from the average UK deposit account over the medium to longer term.</p> <p>Your investment is likely to have a higher equity content than a Defensive investor.</p> <p>You would feel uncomfortable if your investments rise and fall rapidly.</p> <p>You accept that the value of your original investment can fall as well as rise.</p>	<p>These investments carry a risk of loss to capital value but have the potential to produce capital growth and/or income over the medium to long term.</p> <p>These investments do not offer any guarantees and the capital value of your investments is likely to fluctuate over time.</p>		<table> <tr> <td>Cash</td> <td>10%</td> </tr> <tr> <td>Fixed Interest</td> <td>50%</td> </tr> <tr> <td>Property</td> <td>10%</td> </tr> <tr> <td>UK Equity</td> <td>30%</td> </tr> <tr> <td>Overseas Equity</td> <td>0%</td> </tr> </table>	Cash	10%	Fixed Interest	50%	Property	10%	UK Equity	30%	Overseas Equity	0%										
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Risk category 4  Balanced	<p>You are looking for an investment that can provide a balance between risk and reward.</p> <p>You would like a portfolio that has the potential to return more than the average UK deposit account over the medium to longer term.</p> <p>You accept that in order to achieve a higher return than a UK deposit account you will be investing more in equities.</p> <p>You are willing to invest some of your capital in equity based investments that are outside the UK.</p> <p>You would feel uncomfortable if the value of your investment fluctuated significantly in any year.</p>	<p>These investments are expected to have a relatively significant risk of loss to capital value but with the potential for relatively more capital growth over the medium to long term.</p> <p>They do not offer any guarantees and the capital value of the investments will fluctuate.</p>	<table> <tr> <td>Cash</td> <td>5%</td> </tr> <tr> <td>Fixed Interest</td> <td>44%</td> </tr> <tr> <td>Property</td> <td>5%</td> </tr> <tr> <td>UK Equity</td> <td>37%</td> </tr> <tr> <td>Overseas Equity</td> <td>9%</td> </tr> </table>	Cash	5%	Fixed Interest	44%	Property	5%	UK Equity	37%	Overseas Equity	9%	<table> <tr> <td>Cash</td> <td>10%</td> </tr> <tr> <td>Fixed Interest</td> <td>30%</td> </tr> <tr> <td>Property</td> <td>10%</td> </tr> <tr> <td>UK Equity</td> <td>30%</td> </tr> <tr> <td>Overseas Equity</td> <td>20%</td> </tr> </table>	Cash	10%	Fixed Interest	30%	Property	10%	UK Equity	30%	Overseas Equity	20%
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<p>Risk category 5</p> <p>Balanced Aggressive</p>	<p>You are willing to accept a higher level of risk on the basis that it may provide a higher level of return over the medium to long term compared to the alternative investment profiles already outlined.</p> <p>You are willing to invest more of your capital in equities.</p> <p>You are willing to diversify your investment across the main asset classes and invest a greater proportion outside of the UK.</p> <p>You understand that this may result in a fluctuation in the value of your investment in the short and long term.</p> <p>You would feel comfortable if the investment fell by more than 25% in one year.</p> <p>If your investment fell you would be comfortable waiting until the returns improved, however long this may take rather than surrendering your investment to protect the remaining capital</p> <p>If your investments fall you would see this as a time to 'ride out the storm' rather than purchase more.</p>	<p>These investments carry a much higher degree of risk for loss to capital but with the real potential for higher capital growth over the medium to long term.</p> <p>They may be subject to a considerable level of fluctuation in capital value and do not offer any guarantees.</p>	<table border="0"> <tr> <td>Cash</td> <td style="text-align: right;">4%</td> </tr> <tr> <td>Fixed Interest</td> <td style="text-align: right;">15%</td> </tr> <tr> <td>Property</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>UK Equity</td> <td style="text-align: right;">51%</td> </tr> <tr> <td>Overseas Equity</td> <td style="text-align: right;">28%</td> </tr> </table>	Cash	4%	Fixed Interest	15%	Property	2%	UK Equity	51%	Overseas Equity	28%	<table border="0"> <tr> <td>Cash</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>Fixed Interest</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>Property</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>UK Equity</td> <td style="text-align: right;">45%</td> </tr> <tr> <td>Overseas Equity</td> <td style="text-align: right;">25%</td> </tr> </table>	Cash	10%	Fixed Interest	10%	Property	10%	UK Equity	45%	Overseas Equity	25%
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<p>Risk category 6</p> <p>Aggressive</p>	<p>You are willing to accept a higher level of risk on the basis that it may provide a higher level of return over the medium to long term compared to the alternative investment profiles already outlined.</p> <p>You are willing to diversify your investment across the main asset classes. You understand that it is likely that the majority of your investment will be in equity based investments with the highest proportion of your portfolio in non UK equities.</p> <p>You understand that this may result in a significant fluctuation in the value of your investment in the short and long term.</p> <p>You would feel comfortable if the investment fell by more than 25% in one year.</p> <p>If your investment fell you would be comfortable waiting until the returns improved and may see this as an opportunity to purchase more shares.</p>	<p>These investments carry a very high risk of capital loss but with the real potential for a higher return over the medium to long term.</p> <p>They are more likely to be volatile and only suitable for clients who can afford to, and are prepared to risk the capital value of the amount invested.</p> <p>They do not offer any guarantees.</p>		<table border="0"> <tr> <td>Cash</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>UK Equity</td> <td style="text-align: right;">30%</td> </tr> <tr> <td>Overseas Equity</td> <td style="text-align: right;">60%</td> </tr> </table>	Cash	10%	UK Equity	30%	Overseas Equity	60%														
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## Risk Tolerance Summary

### RISK WARNINGS

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#### The example life managed fund for the risk category

- Balanced is the Standard Life Cautious Managed Fund
- Balanced Aggressive is the Standard Life Managed Fund

The information is taken from the Standard Life fund fact sheets dated July 2008.

**These descriptions apply to the way in which certain types of asset classes and investments have performed in the past and they may not perform the same way in the future. Future performance cannot be guaranteed.**

Actual performance will depend on how the selected investments perform, their tax treatment and the impact of charges.

Any reference to 'Investment' in this risk summary means "the amount of money you want to invest".

We will not review your overall portfolio and the suitability of the asset allocation unless you ask us to do so.

### DIFFERENT ASSET ALLOCATIONS FOR DIFFERENT FUNDS AND PORTFOLIOS?

**Your adviser will select a fund or funds that they believe are suitable for you based on the information you have provided. Your adviser will explain why he has selected that fund or funds. The fund or funds selected may not match exactly the percentage splits outlined above. Your adviser should tell you about the split of the funds they've selected in your Suitability Letter.**

**This information is intended to provide you with an example of the asset allocation and geographical split.**

**We are providing you with an indication of the 'risk' that fund or portfolio presents. However, we cannot predict the performance or future changes within that fund shape.**

**If you have any questions or doubts you should ask, and should not proceed with any investment unless you are comfortable with and fully understand the nature of the risks you are taking.**