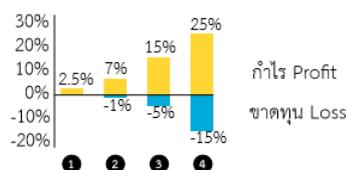


## Suitability Assessment for Ordinary Person

Name and Surname.....A/C / CIF.....

### Questions 1-10 are used to assess investment suitability

- Your current age
  - 60 or more
  - 45–59
  - 35–44
  - Less than 35
- Your current financial burdens and regular expenses, such as, mortgage payments, car payments, personal expenses, and family alimony
  - More than 75% of all income
  - Between 50 – 75% of all income
  - 25% to less than 50% of all income
  - Less than 25% of all income
- Your current financial status
  - More assets than debt
  - Assets equal to debt
  - Assets more than debt
  - Confident that you will have enough savings or investment for retirement
- Have you had experience or knowledge in investing in any of the following groups of assets? (Can have more than 1)
  - Bank deposit
  - Government bonds or government bond mutual funds
  - Debentures or Fixed Income funds
  - Common stock or stock mutual fund or other high-risk assets
- Amount of time you will not need to use this investment
  - Not more than 1 year
  - 1 year but less than 3 years
  - 3 years until 5 years
  - More than 5 years
- Your main objective in investing is
  - Emphasis on maintaining the principle and receiving a consistent low return.
  - Emphasis on having opportunities to earn consistent returns, but risk losing some principle.
  - Emphasis on having opportunities to earn higher returns, but may risk losing more principle.
  - Emphasis on the highest return in the long term, but risk losing most of the principle.
- Take a look at the figure below for an example of a potential return on an investment group. Which investment group are you most willing to invest in?



- Investment group 1 has a chance to earn a 2.5% return without any loss.
- Investment group 2 has the potential for a maximum return of 7%, but a loss of up to 1%.
- Investment group 3 has the potential for a maximum return of 15%, but a loss of up to 5%.
- Investment group 4 has the potential for a maximum return of 25%, but a loss of up to 15%.

- If you choose to invest in assets that has high potential for returns but also high potential for losses, how would you feel?
  - Worry and panic, scared of losses
  - Uncomfortable but understands
  - Understands and generally accepts volatility
  - Is not worried about the potential for high losses and hope for higher returns.
- How worried/unacceptable will you feel when the value of your investment has declined in such proportion?
  - 5% or lower
  - More than 5% less than 10%
  - More than 10% less than 20%
  - More than 20%
- If last year you invested 100,000 baht, this year you found that the investment value has dropped to 85,000 baht, what would you do?
  - Shocked and would want to sell the remaining.
  - Worry and will shift some investments to less risky assets.
  - Able to endure and wait for returns to adjust.
  - Still confident, understands that the investment has to be long term and will increase the investment to average costs.

### Questions 11-12 are used as additional information to supplement advice (Not counted towards the score)

#### Applies only to investments in futures (derivatives) and bonds with embedded derivatives only.

- If investing in futures (derivatives) and bonds with embedded derivatives is successful, you will receive a very high rate of return. But if the investment fails, you may lose all of your investment and may need to add some additional compensation. How much do you agree with this?
  - No
  - Yes Only for international investments
- Other than investment risks, how much foreign exchange rate risk can you afford?
  - No
  - Yes

Signed.....	.....Customer	Dated.....
Signed.....	.....Investment Consultant	Dated.....
Signed.....	.....Operation Officer	Dated.....

### Part 1 Scoring Criteria

Answered a. = 1 point   Answered b. = 2 points   Answered c. = 3 points   Answered d. = 4 points

For question 4, if answered more than one, choose the one with the most points.

### Part 2 Results of Suitability Assessment

Total Score

Score	Risk Levels	Investor Type
Lower than 15	1	Low Risk
15-21	2	Medium-low Risk
22-29	3	Medium-high Risk
30-36	4	High Risk
More than 37	5	Very High Risk

### Part 3 Example of Investment Allocation Advice (\* including commodities, futures contract)

Investor Type	Investment proportions				
	Deposits and short-term bonds	Government Bonds longer than 1 year	Private Bonds	Equity	Alternative Investment*
Low Risk	>60%		<20%	<10%	<5%
Medium-low Risk	<20%	<70%		<20%	<10%
Medium-high Risk	<10%	<60%		<30%	<10%
High Risk	<10%	<40%		<40%	<20%
Very High Risk	<5%	<30%		>60%	<30%

### Advice on the Risk Levels of Debentures

Risk Profile	Risk Levels	Types of Investable Bonds		
Low Risk	1	Plain debentures	Gov /SOE-G Long-term rating	Gov /SOE-G AAA ( $\leq$ 1Y)
Medium-low Risk	2	Plain debentures	Long-term rating	AAA (> 1Y), AA ( $\leq$ 5 Y), A ( $\leq$ 1 Y)
			Short-term rating	T1+, T1 / F1+, F1
	3	Plain debentures	Long-term rating	AA (>5 Y), A (>1 Y)
			4	Plain debentures
Short-term rating	T2, T3 / F2, F3+			
Medium-high Risk	5	Plain debentures	Long-term rating	BBB (>1Y)
		Structure note		AAA (Principle protected < 100%)
				AA (Principle protected 100%)
High Risk	6	Plain debentures	Long-term rating	BB ( $\leq$ 1Y)
			Short-term rating	T4, B
		Structure note		AA (Principle protected < 100%)
				A (Principle protected 100%)
	7	Plain debentures	Long-term rating	BB (> 1Y – 5Y)
		Structure note		A (Principle protected < 100%)
				BBB (Principle protected 100%)
Perpetual bond, Basel III, Insurance capital bond : Investment				
Very High Risk	8	Plain debentures	Long-term rating	BB (> 5Y), B (all time frames), CCC/CC/C (all time frames)
			Short-term rating	C, Unrated (all time frames)
		Structure note		BBB (Principle protected < 100%)
				Non-investment grade & Unrated
Perpetual bond, Basel III, Insurance capital bond : Non - investment				

\* Note Short – Term Rating - T1+ T1 , T2, T,3, T4 means TRIS Rating and F1+ , F1, F2, F3+, B, C means Fitch Thailand Rating

## Advice on the Risk Levels of different types of Fund investments

Risk Profile	Risk Levels	Types of Instruments	Main Type of Investment
Low Risk	1	Domestic Money Market Fund	Has a policy to invest only in Thailand by investing or having deposits, bonds, securities, other securities, or other interests prescribed by the office which is due for repayment on demand or will be due for repayment or the contract period does not exceed 1 year from the date of investment or entering into the contract and has a Portfolio duration not exceeding 3 months.
Medium-low Risk	2	Money Market Fund	Has a policy to invest internationally, some, but not more than 50% of the NAV by investing or having deposits, bonds, securities, other securities, or other interests prescribed by the office which is due for repayment on demand or will be due for repayment or the contract period does not exceed 1 year from the date of investment or entering into the contract and has a Portfolio duration not exceeding 3 months.
	3	Government Bond Fund	Has a policy focusing on investing in government bonds averaging over a fiscal year of not less than 80% of NAV
	4	Fixed Income Fund	Has a policy to invest in general debt instruments
Medium-high Risk	5	Mixed Fund	Has a policy to invest in equity and debt instruments
High Risk	6	Equity Fund	Has a policy to invest mainly in equity averaging over a fiscal year of not less than 65% of NAV
	7	Industrial Fund	Has a policy to invest in specific equity of such industries averaging over a fiscal year of not less than 80% of NAV
Very High Risk	8	Alternative Investment Funds	Has a policy to invest in assets which are an alternative to investments or has a complicated structure, such as, commodity/gold fund/ oil fund/ derivatives, which is not used for hedging, including instruments with hidden characteristics of futures contracts that does not protect the principal.

- Note**
- 1. In the case of foreign investment funds that do not fully hedge against foreign exchange risk, the seller must warn investors of FX risks in all circumstances, regardless of the investor's level of risk.**
  - 2. When selling very high risk funds, the seller must advise investors on the nature of the fund and its risks in detail in all cases.**

### In the case of real estate funds, the risk level takes into account the following factors:

- Real estate funds risk levels will range from level 4 to level 8.
- Type of freehold leasehold infrastructure funds, such as leaseholds fund will be riskier than freehold funds in regards to the value of the assets that decreases with the remaining leasehold duration or infrastructure mutual funds that have more complex assets and conditions than real estate funds and therefore may have higher risks.
- Assets which can be exploited or unable to provide benefits (under construction), which, if still unable to provide benefits, will have a higher risk. This may occur in case of project delay or cost overrun.
- Classification of investments units (infrastructure fund) such as equity tranche has a higher risk than debt-liked tranche which has the same order of rights as the creditor.
- Track record of the real estate invested, in the case of real estate that has been exploited for a period of time, there will be customers to support it. This makes it easier to assess the potential benefits and denotes a lower risk of acquiring customers than real estate that does not have a track record.
- Having a main tenant, such as, in case of a direct lease fund having multiple tenants, despite the potential for more rent, there is a greater risk of renewing a lease or acquiring new customers than renting it out to a single tenant, the original owner who leases the property back from the fund and sublets it.
- Characteristics of benefits, such as, fixed / variable rental (portion that the fund will receive) which will directly affect the fund's income.
- Term of the lease and its renewal, such as, if the fund has a long-term lease and the lease is registered, there will be a lower risk of finding tenants than in the case of having a short-term lease (not more than 3 years).
- Guarantee Income and the ability of the guarantor to comply with the guarantee contract, such as, providing a letter of guarantee issued by a commercial bank with a guarantee period and a credit line covering the guarantee period (for example, a guarantee period of 3 years, a bank letter term of 3 years, the amount equal to the sum of guaranteed income over 3 years) is less risky than a yearly letter of guarantee.