

Risk Tolerance Questionnaire for Peer-to-Peer (“P2P”) Financing

Please answer the following questions to assess your risk tolerance for P2P financing investments.

1. Investment Horizon

How long are you willing to leave your investment in Peer-to-Peer financing before needing access to it?

- A) Less than 1 year
- B) 1 to 3 years
- C) 3 to 5 years
- D) More than 5 years

2. How would you feel if the value of your investment in P2P financing dropped by 10% over a short period (e.g., within 1 year)?

- A) Very concerned, I would sell my investments immediately to avoid further losses.
- B) Concerned, but I would consider holding for the long term if the situation improves.
- C) Slightly concerned, but I can accept the volatility.
- D) Not concerned at all, I’m comfortable with such fluctuations.

3. How important is the potential for high returns in your investment decision?

- A) I’m more focused on preserving my capital than earning returns.
- B) I prefer moderate returns with moderate risk.
- C) I’m willing to take on higher risk for potentially higher returns.
- D) I am primarily interested in the highest possible returns, even if that involves significant risk.

4. How much of your total investment portfolio would you consider allocating to Peer-to-Peer financing, understanding that it involves higher risk compared to traditional investments like stocks or bonds?

- A) Less than 5%
- B) 5% to 10%
- C) 10% to 20%
- D) More than 20%

5. How do you view the possibility of losing all of your investment in Peer-to-Peer financing?

- A) I am not willing to lose any of my investment, and I would only invest in very low-risk opportunities.
- B) I’m willing to accept some loss, but I expect my investment to perform well in the long term.
- C) I understand that there’s a chance I could lose a significant portion of my investment, but I’m comfortable with it for the chance of high returns.
- D) I understand the risks involved, and I’m okay with losing most or all of my investment if there’s potential for large gains.

6. How would you react if one or more of your P2P investments defaulted (the issuer failed to repay)?

- A) I would be extremely upset and consider exiting P2P investing entirely.
- B) I would be disappointed but would still be willing to continue investing, learning from my experience.
- C) I understand defaults are part of P2P investing, and I would adjust my strategy accordingly.
- D) I would accept defaults as part of the risk and would continue investing as usual.

7. How much experience do you have with alternative investments, such as Peer-to-Peer financing, real estate crowdfunding, or private equity?

- A) No experience, I am new to investing.
- B) I have limited experience and have only invested in low-risk products.
- C) I have moderate experience with alternative investments and am familiar with some risks.
- D) I am an experienced investor in alternative markets and understand the potential rewards and risks.

8. What is your reaction to news of potential regulatory changes affecting Peer-to-Peer financing platforms?

- A) I would be very concerned and consider selling my investments to avoid any unforeseen regulatory risks.
- B) I would monitor the situation but am not overly concerned unless regulations become stricter.
- C) I would view it as an opportunity to adjust my portfolio based on potential changes.
- D) I would not be concerned, as I understand that regulatory changes are part of any investment landscape.

9. How do you feel about liquidity risk in Peer-to-Peer financing (i.e., the inability to quickly sell your investment if you need access to cash)?

- A) I need investments that are easily liquidated and accessible at all times.
- B) I understand that liquidity might be limited but am willing to hold until maturity.
- C) I can accept that liquidity may be constrained, but I'm comfortable with this risk.
- D) I understand that liquidity risk is inherent, and I'm prepared to hold for a long period if necessary.

10. What is your primary goal with investing in Peer-to-Peer financing?

- A) Preserving capital with minimal risk and moderate returns.
 - B) Achieving steady, moderate returns with a moderate level of risk.
 - C) Seeking higher returns with an acceptance of moderate to high risk.
 - D) Maximizing potential returns, even if this means taking significant risks.
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Scoring and Risk Profile:

Mostly A's : Conservative Investor

You prefer to avoid risk and seek low-risk investments. P2P financing may not align well with your investment style unless you carefully select lower-risk opportunities.

Mostly B's : Moderate Investor

You're open to some risk but prefer a balanced approach. P2P financing may suit you if you focus on diversified platforms with solid risk management.

Mostly C's : Growth-Oriented Investor

You are willing to take on higher risks for potentially higher rewards. P2P financing may fit your risk profile, but you should be aware of the default and liquidity risks.

Mostly D's : Aggressive Investor

You are comfortable with high levels of risk and are seeking the highest returns. P2P financing could be a suitable option for you, but ensure you understand the associated risks, including the possibility of losing a significant portion or all of your investment.

Disclaimer:

This Risk Tolerance Questionnaire is intended solely for informational and educational purposes. It does not constitute investment advice, nor does it provide specific recommendations regarding any P2P financing platform, product, or service. The questionnaire cannot replace personalized financial advice from a licensed investment professional.

You are encouraged to consult with a financial advisor or investment professional to assess your overall investment strategy and determine whether P2P financing aligns with your goals, risk profile, and financial situation.