

# Investment Risk Disclosure

Date: [Insert Date]

To: [Client's Name]

[Client's Address]

Dear [Client's Name],

As a valued high-net-worth client, we are committed to ensuring that you are well-informed regarding the risks associated with your investments. This letter serves as a formal disclosure of the potential risks involved in your investment portfolio.

## 1. Market Risk

Your investments may be subject to fluctuations in value due to changes in market conditions, which are unpredictable and can lead to losses.

## 2. Credit Risk

Investments in bonds and other debt instruments carry the risk that the issuer may default on their obligations, leading to a loss of principal.

## 3. Liquidity Risk

Some investments may not be easily liquidated or converted to cash, which may delay your ability to access funds when needed.

## 4. Currency Risk

Investments in foreign securities can be affected by fluctuations in foreign exchange rates, impacting the returns on your investment.

## 5. Regulatory Risk

Changes in laws or regulations may affect the performance and value of your investments.

Please take the time to review this information carefully. Should you have any questions or wish to discuss this further, feel free to reach out to me directly.

Sincerely,

[Your Name]

[Your Position]

[Your Company]

[Your Contact Information]