

# Risk Profile Questionnaire

## Personal Details

(If investing for a Partnership, Company or Trust, complete details under Client 1 only. This Client Risk Profile booklet is not to be completed for a Self Managed Superannuation Fund. The adviser is to refer to the Fund Investment Strategy for the Self Managed Superannuation Fund)

### Client 1

Title (Dr/Mr/Mrs/Ms/Miss)

Surname

Given name(s)

Date completed

### Client 2

Title (Dr/Mr/Mrs/Ms/Miss)

Surname

Given name(s)

Date completed

## Adviser Details

Adviser Name

Stephen Psychogios

FSG Version Date

13/07/2019

Date FSG supplied to client

### Important notice

The Corporations Act requires that an adviser act in the best interest of their clients and provide appropriate advice. As such, advisers must make reasonable inquiries to determine a client's objectives, needs and circumstances. The information requested in this Investment Risk Profile and/or on any subsequent occasion(s) is necessary to ensure the recommendations made or advice provided to you is appropriate to your objectives, needs and circumstances.

## Your investment risk profile

### Note to clients

This section of the fact find should be completed with the assistance of your financial adviser to ensure you fully understand the outcome from this section. Your financial adviser will educate you on the investment risk and return functions and their relationship with each other; the various asset classes and their potential risks and features.

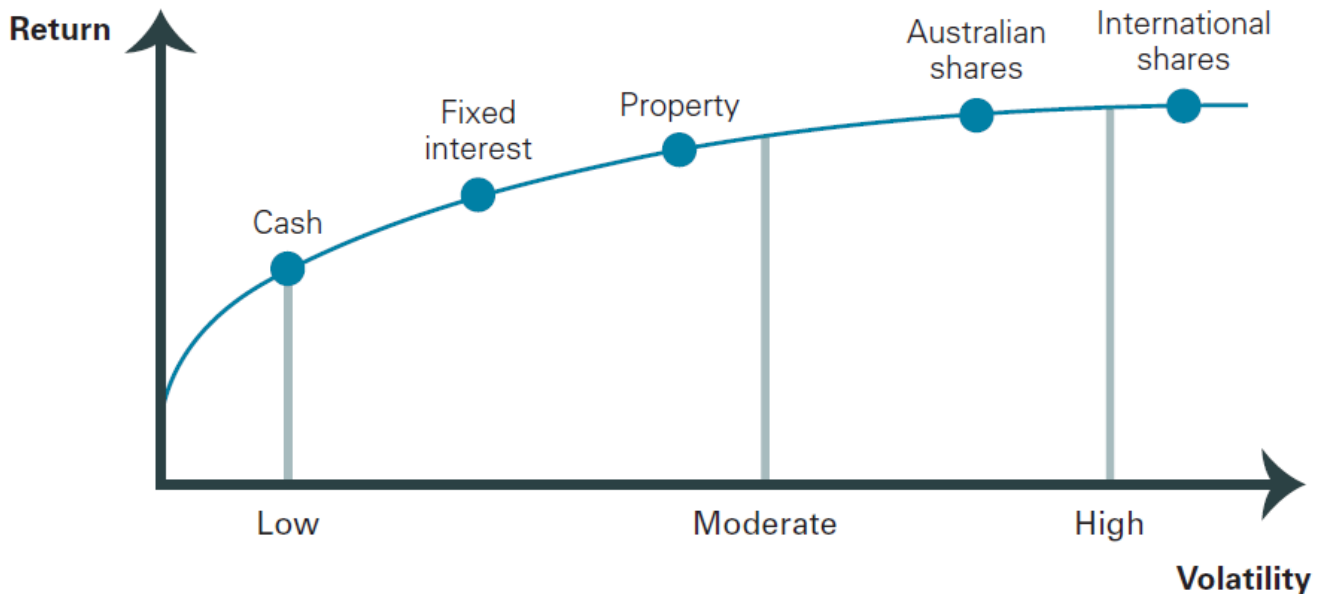
### The investment risk and return relationship

The concept of risk and return says that where a lower level of risk is taken, a lower return and chance of loss can be expected and vice-versa. Over the long-term, the greater the volatility – the higher the risk, but also the higher the likely returns may be.

### The risk return chart

The relationship between long term risk (volatility) and return in different asset classes is illustrated below.

## Risk return trade-off



### Please complete the questionnaire in full

It is important that you answer each question accurately and honestly, otherwise it may result in an investment risk profile that is not suitable for your investment portfolio or that does not adequately reflect your current attitude towards investing.

## Your risk tolerance level

Investment risk refers to the level of volatility or fluctuation that a person is prepared to accept in investment returns – including the potential risk of loss of some capital in the short-term, and the potential risk that retirement goals may not be met in the longer term. Volatility refers to the unpredictable upward and downward movements in investment values over a period of time.

## Risk Profile Questionnaire

1.1 Investment Risks		Point(s)	Client 1	Client 2
1.1.1	Compared to others, how would you rate your willingness to take financial risks?			
a.	Very high risk taker	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	High risk taker	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Average risk taker	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Low risk taker	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	Very low risk taker	5	<input type="checkbox"/>	<input type="checkbox"/>
1.1.2	How familiar are you with investment markets?			
a.	I am experienced with all asset sectors and understand the various factors which influence portfolio performance	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I understand that markets fluctuate and that different asset sectors offer different income, growth and taxation characteristics	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	I have just enough experience to understand some aspects of investment markets	4	<input type="checkbox"/>	<input type="checkbox"/>
d.	I have very little understanding of investment markets	5	<input type="checkbox"/>	<input type="checkbox"/>
1.1.3	How would you describe your experience with investment markets?			
a.	I have had positive experiences with investing that outweigh the negative	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I am not familiar with investments and am cautious	3	<input type="checkbox"/>	<input type="checkbox"/>
c.	I have previously lost money as an investor and am very cautious about investing	5	<input type="checkbox"/>	<input type="checkbox"/>
1.1.4	What is the most aggressive investment you have made?			
a.	Direct shares	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Managed funds	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Investment property	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Own home	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	High interest savings account	5	<input type="checkbox"/>	<input type="checkbox"/>
1.2 Investment Timeframe		Point(s)	Client 1	Client 2
1.2.1	Once investments have been placed, how long would it be before you would need to access your capital?			
a.	Longer than 7 years	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Between 5 and 7 years	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Between 3 and 5 years	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Between 2 and 3 years	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	Less than 2 years (parking)	5	<input type="checkbox"/>	<input type="checkbox"/>
1.2.2	How much money have you set aside, outside of your superannuation, to handle emergencies?			
a.	Less than 1 month of living expenses	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Between 3 and 6 months of living expenses	3	<input type="checkbox"/>	<input type="checkbox"/>

c.	More than 6 months of living expenses	5	<input type="checkbox"/>	<input type="checkbox"/>
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### 1.3 Inflation

		Point(s)	Client 1	Client 2
1.3.1	Inflation is a rise in the general level of prices of goods over time which can reduce your spending power. How much risk are you prepared to take to counteract the effects of inflation?			
a.	I am comfortable with short to medium term losses in order to beat inflation over the longer term	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I am conscious of the effects of inflation, but would prefer a position that limits short to medium term losses	3	<input type="checkbox"/>	<input type="checkbox"/>
c.	Inflation may erode my savings over the long term, but I have little tolerance for short to medium term losses	5	<input type="checkbox"/>	<input type="checkbox"/>

### 1.4 Volatility

		Point(s)	Client 1	Client 2
1.4.1	Most investments can fluctuate both up and down i.e. volatility. How much could your investment fall in value over a 12 month period before you feel concerned and anxious?			
a.	More than 50%	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Up to 50%	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Up to 25%	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Up to 10%	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	Up to 5%	5	<input type="checkbox"/>	<input type="checkbox"/>
f.	Any fall in the value of my investments would make me feel concerned and anxious	6	<input type="checkbox"/>	<input type="checkbox"/>
1.4.2	What would your reaction be if six months after placing your investment you discover that, in line with what is happening in the financial markets generally; your portfolio had decreased in value by 20%?			
a.	I would invest a large amount of additional funds expecting future growth	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I would invest a small amount of additional funds expecting future growth	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	I would leave the investment in place and wait to see if the investment improves	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	I would cut my losses and transfer some of my funds into more secure asset sectors	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	I would cut my losses and transfer all of my funds into more secure assets e.g. bank account, as I did not intend to take any risks	5	<input type="checkbox"/>	<input type="checkbox"/>

### 1.5 Investment Performance

		Point(s)	Client 1	Client 2
1.5.1	Would you be more concerned about the potential gains or possible losses when you are considering your investment options?			
a.	Potential gains	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Equally interested in the possible losses and potential gains	3	<input type="checkbox"/>	<input type="checkbox"/>
c.	Possible losses	5	<input type="checkbox"/>	<input type="checkbox"/>
1.5.2	Over the longer term, what return do you reasonably expect to achieve from your investment portfolio?			
a.	8% or above per annum	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	6-8% per annum	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	4-6% per annum	3	<input type="checkbox"/>	<input type="checkbox"/>

d.	2-4 % per annum	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	0-2% per annum	5	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.5.3 Have you had an investment fall in value? If so, how did it make you feel?</b>				
a.	Unconcerned and anticipating future investment opportunities	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Unconcerned but not making any further investments	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Concerned	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Very concerned and asking friends and family about what I should do	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	I have never experienced an investment fall in value and would not want to	5	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.5.4 What degree of risk are you prepared to take to achieve your desired return?</b>				
a.	I want to maximise potential returns regardless of risk	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	A high degree of risk would be acceptable for a large increase in potential returns	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	A moderate degree of risk would be acceptable for a medium increase in potential returns	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	A limited degree of risk would be acceptable for a slight increase in potential returns	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	Security of capital is required regardless of potential returns	5	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.5.5 What are your future income requirements from your investments?</b>				
a.	I require no amount of investment income as the focus should only be on capital growth	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I require a small amount of investment income as I am mainly concerned with capital growth	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	I require an equal combination of investment income and capital growth	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	I require a large amount of investment income with only some capital growth	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	I require all of my investments to have a focus on income as capital growth is not required	5	<input type="checkbox"/>	<input type="checkbox"/>

## 1.6 Borrowed Money

		Point(s)	Client 1	Client 2
<b>1.6.1 Have you ever borrowed money to make an investment?</b>				
a.	I have borrowed money to invest in managed funds or direct shares or structured products	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	I have only borrowed money to invest in an investment or rental property	3	<input type="checkbox"/>	<input type="checkbox"/>
c.	I have never borrowed money to invest outside my own home	5	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.6.2 Based on your answer to the previous question, how did borrowing to invest make you feel?</b>				
a.	Very confident	1	<input type="checkbox"/>	<input type="checkbox"/>
b.	Confident	2	<input type="checkbox"/>	<input type="checkbox"/>
c.	Concerned	3	<input type="checkbox"/>	<input type="checkbox"/>
d.	Very concerned	4	<input type="checkbox"/>	<input type="checkbox"/>
e.	I have never borrowed money outside my own home	5	<input type="checkbox"/>	<input type="checkbox"/>

<b>Total Points</b>			<b>Client 1</b>	<b>Client 2</b>
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Based on your answers to the previous risk profiling questions, you have fallen within the following risk profile.

**1.0 Risk Profile Results**

Points (per client)	Points (combined)	Description	Client 1	Client 2
30 points or less	60 points or less	You are a <b>High Growth Investor</b> . You are prepared to take higher risks for potentially greater returns. Overall you have a greater need for capital growth than for income. You are well placed to recover from unforeseen market downturns either because you have time on your side or access to capital reserves.	<input type="checkbox"/>	<input type="checkbox"/>
31-40 points	61-80 points	You are a <b>Growth Investor</b> . Your investment portfolio should have a bias towards capital growth and you have little need for income. You are prepared to accept a higher degree of volatility and risk. Your primary concern is to accumulate assets over the medium to long term.	<input type="checkbox"/>	<input type="checkbox"/>
41-51 points	81-102 points	You are a <b>Balanced Investor</b> . Your investment portfolio should have a focus on capital growth with some need for income. Calculated risks will be acceptable to achieve better returns.	<input type="checkbox"/>	<input type="checkbox"/>
52-61 points	103-122 points	You are a <b>Conservative Investor</b> . Typically, you are an investor seeking to protect the wealth you have already accumulated. Your investment portfolio should be structured more towards income producing assets rather than assets offering capital growth. However some growth is expected to keep you ahead of inflation.	<input type="checkbox"/>	<input type="checkbox"/>
62 points or more	123 points or more	You are a <b>Defensive Investor</b> . Your investment portfolio should be biased towards security of capital. A regular income stream is a priority over capital growth. Investments typically have a higher liquidity.	<input type="checkbox"/>	<input type="checkbox"/>

**2.0 Client Risk Profile Acknowledgement**

	Client 1	Client 2
I agree with the category assigned above and understand that this profile will be considered in the advice process Please refer to section 6.0 for sign-off	<input type="checkbox"/>	<input type="checkbox"/>
I disagree with the category assigned in section 2.0	<input type="checkbox"/>	<input type="checkbox"/>
Please continue to section 5.0		

**Notes**

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### 3.0 Adviser Risk Profile Variation

		Risk Profile	
		Client 1	Client 2
<input type="checkbox"/> As your adviser, I propose a variation from the risk profile that the questionnaire placed you in. I recommend we adopt the following risk profile for the reasons mentioned below.	High Growth	<input type="checkbox"/>	<input type="checkbox"/>
	Growth	<input type="checkbox"/>	<input type="checkbox"/>
	Balanced	<input type="checkbox"/>	<input type="checkbox"/>
	Conservative	<input type="checkbox"/>	<input type="checkbox"/>
	Defensive	<input type="checkbox"/>	<input type="checkbox"/>

Reasons for proposed variation:

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#### Client(s) response to the Adviser Risk Profile Variation

	Client 1	Client 2
I agree with the proposed adviser variation to the risk profile	<input type="checkbox"/>	<input type="checkbox"/>

If you are not comfortable with the proposed variation to your risk profile, you can instruct me as to the type of profile you would prefer

### 4.0 Client Risk Profile Variation

		Risk Profile	
		Client 1	Client 2
<input type="checkbox"/> I disagree with the original risk profile or the adviser proposed variation to the risk profile and request to be placed in the following risk profile for the reasons mentioned below.	High Growth	<input type="checkbox"/>	<input type="checkbox"/>
	Growth	<input type="checkbox"/>	<input type="checkbox"/>
	Balanced	<input type="checkbox"/>	<input type="checkbox"/>
	Conservative	<input type="checkbox"/>	<input type="checkbox"/>
	Defensive	<input type="checkbox"/>	<input type="checkbox"/>

Reasons for proposed variation:

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#### Notes

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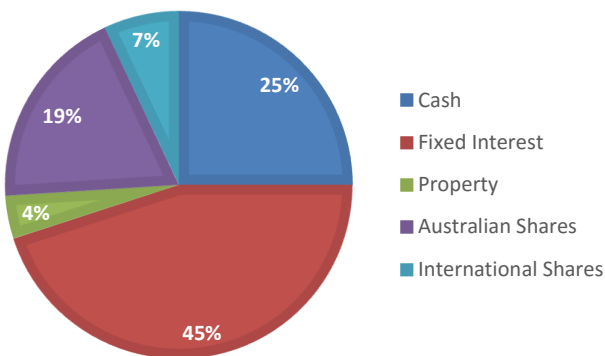




## Defensive Investor

### Investment objective

- You seek to protect your capital and are somewhat concerned when this does not occur.
- You have a very basic understanding of the investment markets and their operations.
- When you think of the term risk, you think it means 'danger'.
- When you make a financial decision, you usually focus on the possible losses.
- You seek moderate returns and do not wish to take on more than a low level of risk.
- With your present investment monies, you would be comfortable taking very low risks and you are not very comfortable with the concept of risk.



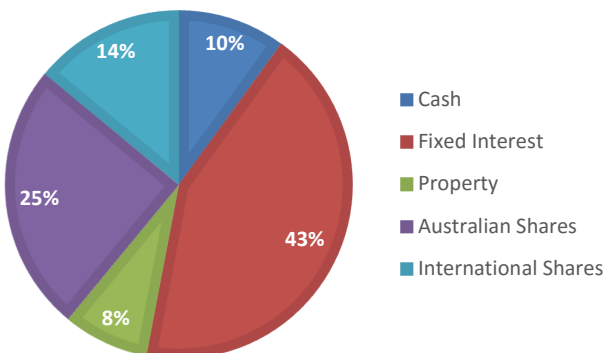
### Investment strategy and time-frame

- Historically, the probability of a negative return in any one year is 8.3%.
- Best 1 year return is 10.3%
- Worst 1 year return is -3.3%
- Average return over 10 years is 5.5% pa.
- Minimum recommended investment time-frame is from 2 to 3 years.
- Investment returns over the long-term aim to be Cash plus 0.8% pa.
- This investment portfolio is made up of around 70% defensive assets and 30% growth assets.

## Conservative Investor

### Investment objective

- You are prepared to establish a diversified portfolio to partially protect you from inflation and tax.
- You have a general understanding of the investment markets, but would like to have a broader understanding in order to explore the possibilities.
- When you think of the term risk, you think it means 'uncertainty'.
- When you make a financial decision, you are more focused on the possible losses, but also keep in the mind the possible gains.
- You are prepared to accept a moderate level of risk volatility in the overall capital value of your investments.
- You are generally a low risk taker and are somewhat comfortable with the concept of risk.



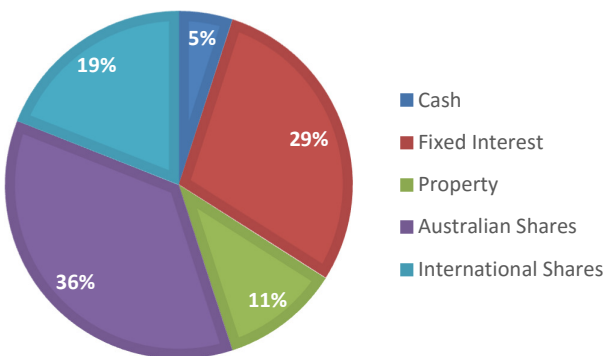
### Investment strategy and time-frame

- Historically, the probability of a negative return in any one year is 12.5%.
- Best 1 year return is 14.5%
- Worst 1 year return is -10.2%
- Average return over 10 years is 6.3% pa.
- Minimum recommended investment time-frame is from 3 to 4 years.
- Investment returns over the long-term aim to be Cash plus 1.6% pa.
- This investment portfolio is made up of around 50% defensive assets and 50% growth assets.

## Balanced Investor

### Investment objective

- You wish to adopt a diversified portfolio to somewhat protect you from inflation and tax.
- You have a reasonable understanding of the investment markets and their operation.
- When you think of the term risk, you think it means “possibilities”.
- When you make a financial decision, you are more focussed on the possible gains, but also keep in mind the possible losses.
- You can accept that there will be some level of volatility in the value of your investments.
- You are a moderate risk taker and can accept some moderate levels of investment risk.



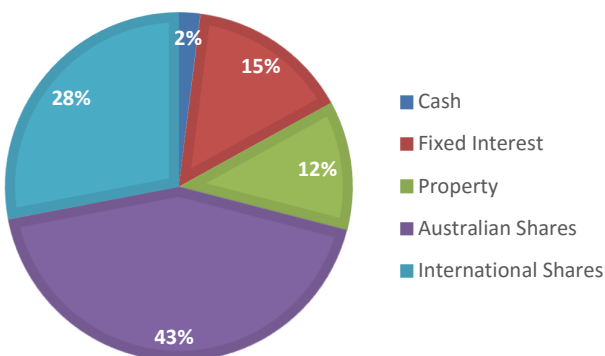
### Investment strategy and time-frame

- Historically, the probability of a negative return in any one year is 13.3%.
- Best 1 year return is 19.5%
- Worst 1 year return is -17.5%
- Average return over 10 years is 6.7% pa.
- Minimum recommended investment time-frame is from 5 years.
- Investment returns over the long-term aim to be Cash plus 2.4% pa.
- This investment portfolio is made up of around 30% defensive assets and 70% growth assets.

## Growth Investor

### Investment objective

- You desire to invest in a broad spread of quality investments, but predominantly in growth assets to achieve higher growth.
- You understand that investment markets can and will fluctuate and that different market sectors offer different levels of risks, income and growth.
- Your investment time horizon is for the long-term of seven or more years.
- When you think of the term risk, you think it means “opportunity”.
- When you make a financial decision, you usually focus on the possible gains.
- You are a high risk taker and can accept higher levels of investment risks.
- You are seeking to achieve a reasonably high rate of growth on the capital invested.



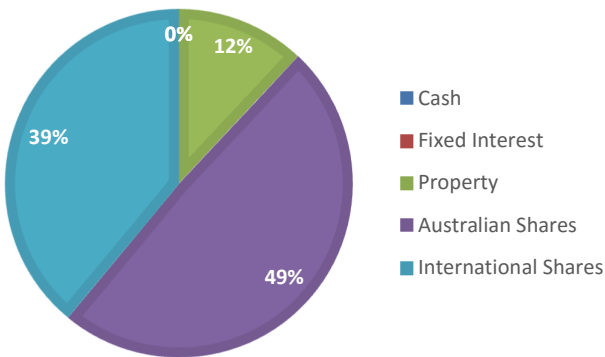
### Investment strategy and time-frame

- Historically, the probability of a negative return in any one year is 20.8%.
- Best 1 year return is 23.8%
- Worst 1 year return is -24.1%
- Average return over 10 years is 7.0% pa.
- Minimum recommended investment time-frame is 6 years plus.
- Investment returns over the long-term aim to be Cash plus 3.2% pa.
- This investment portfolio is made up of around 15% defensive assets and 85% growth assets.

## High Growth Investor

### Investment objective

- You are interested in capital growth and accumulating wealth more quickly relative to your investment time-frame.
- You understand the cyclical nature of investments and accept that there will be a very high level of volatility in the value of your investments.
- You are experienced in all major investment markets and have a very good understanding of the investment markets. You are aware of the factors that may affect investment performance in investment markets.
- Your investment time horizon is for the long-term of seven or more years.
- When you make a financial decision, you always focus on the possible gains.
- You can accept very high levels of variability in investment returns, as you understand that the higher the risks associated with investments, potentially the higher level of returns expected.



### Investment strategy and time-frame

- Historically, probability of a negative return in any one year is 25.0%.
- Best 1 year return is 28.5%
- Worst 1 year return is -30.6%
- Average return over 10 years is 7.3% pa.
- Minimum recommended investment time-frame is 7 years plus.
- Investment returns over the long-term aim to be Cash plus 4.0% or more pa.
- This investment portfolio is made up of around 0% defensive assets and 100% growth assets.