



Risk Profile Questionnaire

Identifying your investment profile

1. Which of the following best describes your current stage of life?

- a) Single with few financial burdens. Ready to accumulate wealth for future short term and long term goals. (5 points)
- b) A couple without children. Preparing for the future by establishing a home. Expecting to have or already have a high purchase rate of household and consumer items. (4 points)
- c) Young family with a home. You have a mortgage and childcare costs and maintain only small cash balances. (3 points)
- d) Mature family. You are in your peak earning years and your mortgage is under control. You both work and you may or may not have children that are growing up or have left home. You're ready to start thinking about your retirement years . (5 points)
- e) Preparing for retirement. You own your home and have few financial burdens; you want to ensure you can afford a comfortable retirement. (2 points)
- f) Retired. You rely on existing funds and investments to maintain your lifestyle in retirement. You may already be receiving a Government pension and/or Superannuation pension. (1 point)

2. How familiar are you with investment matters?

- a) Not familiar at all with investments and feel uncomfortable with the complexity. (0 points)
- b) Not very familiar when it comes to investments. (1 point)
- c) Somewhat familiar. I don't fully understand investments, including the share market. (2 points)
- d) Fairly familiar. I understand the various factors which influence investment performance. (3 points)
- e) Very familiar. I use research and other investment information to make investment decisions. I understand the various factors which influence investment performance (7 points)

3. How long have you been investing, not counting your own home or bank type deposits?

- a) 3 years or more. (5 points)
- b) Up to 3 years. (2 points)
- c) This is my/our first investment. (1 point)

4. How long would you invest the majority of your money before you think you would need access to it? (Assuming you already have plans in place to meet short term cash flow and/or emergencies.)

- a) In 2 years or less. (1 point)
- b) Within 3 - 5 years. (3 points)
- c) Within 6 - 10 years. (7 points)
- d) Not for 10 + years. (10 points)

5. Once you start using your invested money how long would you need it to last?

- a) Over a period of 2 years or less. (0 points)
- b) Over a period of 3 - 5 years. (1 points)
- c) Over a period of 6 - 10 years. (3 points)
- d) More than 10 years/Retirement. (5 points)

6. If the equity component of your portfolio fell by 40% over a short period, such as a month, would you:

- a) Sell all of the investments. You do not intend to take risks. (1 point)
- b) Sell a portion of your portfolio to cut your losses and reinvest into more secure investment sectors. (3 points)
- c) Hold the investment and sell nothing, expecting performance to improve. (5 points)
- d) Invest more funds to lower your average investment price. (7 points)

7. If your investments fell by more than 6% over a short period, would you:

- a) Sell all of the remaining investment. (1 point)
- b) Sell a portion of the remaining investment. (3 points)
- c) Hold your investments and sell nothing. (5 points)
- d) Invest more funds. You can tolerate short term losses in expectation of future growth. (6 points)

(If your portfolio has experienced a drop like this, choose the answer that corresponds to your actual behavior.)

8. The table below shows the highest one-year gain and highest one-year loss on three different hypothetical investments of \$10,000.

Fund	A	B	C
Highest Gain	\$593	\$1,921	\$4,229
Highest Loss	-\$164	-\$1,020	-\$3,639

Given the potential gain or loss in any one year, where would you invest your money?

- a) Fund A (1 point)
- b) Fund B (3 points)
- c) Fund C (5 points)

9. Which one of the following statements describes your feelings towards choosing an investment?

- a) I would prefer investments with little or no fluctuation in value and have a low degree of risk associated with them. I am willing to accept the lower return associated with these investments. (1 point)
- b) I prefer to diversify with a mix of investments that have an emphasis on low risk. I am happy to have a small proportion of the portfolio invested in assets that have a higher degree of risk in order to achieve a slightly higher return. I am prepared to accept a negative investment return of 1 in 10 years. (2 points)
- c) I prefer to have a spread of investments in a balanced portfolio. I am happy to have a negative return of 1 in 7 years. (4 points)
- d) I prefer to diversify my investments with an emphasis on more investments that have higher returns, but still having a small amount of low risk investments. I am prepared to accept a negative return of 1 in 5 years. (7 points)
- e) I would only select investments that have a higher degree of investment price fluctuation so that I can earn higher long term returns. I am happy to accept a negative return of 1 in 3 years in order to achieve this goal. (12 points)

10. How secure is your current and future income from sources such as salary, pensions or other investments?

- a) Not secure. (2 points)
- b) Somewhat secure. (3 points)
- c) Fairly secure. (4 points)
- d) Very secure. (5 points)

Please Complete Questions 11, 12 and 13 if you are interested in investing in options

11. Are you proposing to sell options positions to open, that is, writing positions?

- a) For income purposes over stock you hold; (-3 point)
- b) Selling puts with a view to purchasing stock at a later date; (3 points)
- c) As a trading strategy to lock in 'time decay', without necessarily holding the stock; (5 points)
- d) To generate immediate premiums and monitor to retain premiums, without holding the stock and holding minimal cash lodged. (7 points)

12. What percentage of collateral utilization (stock/cash) do you deem appropriate to trade options?

- a) Greater than 90% (10 point)
- b) 75% (5 points)
- c) 50% (3 points)
- d) Less than 20% (0 points)

13. If you suffer an unrealized loss on an options position, would you:

- a) Roll the position to the next series; (5 point)
- b) Move the position to a more in the money series to achieve a greater premium; (10 points)
- c) Sell increased positions; (15 points)
- d) Close the position (0 points)

Add up the points you scored for each answer. Based on the total points, you can compare your score with the range of Profiles described below.

Total Points: _____

Indicative Investor Profile	Score	Description
Conservative	0 - 18 points	You are a conservative investor who does not wish to take any investment risk. Your priorities are the safeguarding of your investment capital. You are prepared to sacrifice higher returns for peace of mind.
Moderately Conservative	19 - 25 points	You are a moderately conservative investor who is prepared to accept a small amount of risk. Your priority remains the preservation of capital over the medium to long term. You may have some understanding of investment markets, however you cannot afford to take any chances with your capital.
Balanced	26 - 44 points	You are a balanced investor with some understanding of investment market behavior and can accept some short term risk to your capital. You do not wish to see all of your capital eroded by tax and inflation and are prepared to take a small short term risk in order to gain longer term capital growth.
Assertive	45 - 55 points	You are an assertive investor who understands the movement of investment markets. You are most interested in maximizing long term capital growth, although you do not wish to make unbalanced investment decisions. You are happy to sacrifice short term safety in order to maximize long term capital growth.
Aggressive	56+ points	You are an aggressive investor. You are prepared to sacrifice your investment capital in pursuit of the highest long term capital growth investment. You are most interested in reducing your taxable income and have an understanding of the behavior of investment markets.

Please remember that this questionnaire is designed to help you evaluate your risk profile. If you feel comfortable with the analysis provided, your adviser can use it to devise an appropriate investment portfolio. If you don't agree with the analysis, or want to ask additional questions about it, please discuss it with your adviser.

I hereby acknowledge that the above investment risk stance is consistent with my investment risk requirements and profile. I have had the concept of investment risk explained to me and am happy to proceed on this basis.

SIGNATURES-ALL CLIENTS MUST COMPLETE

Client 1 Name	Signature	Date
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Client 2 Name	Signature	Date
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Investment Professional	Name Signature	Date
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