



Wealth Management Solutions

Questionnaire

Questionnaire

Client A: _____ **Date:** _____

Signature: _____

Client B: _____ **Signature:** _____

Financial Adviser Name: _____

Please complete the questionnaire and return it to your financial adviser.

About Risk Tolerance Testing

The VisiProfiler questionnaire has been designed to assist your financial adviser to assess your risk tolerance in relation to financial risk. The results of the questionnaire are to be used as a guide for your financial adviser in addition to other information in regard to your personal circumstances to develop appropriate recommendations.

Once your financial adviser has assisted you to identify your risk tolerance it will be used by your financial adviser in conjunction with other information such as your objectives, personal financial situation and other relevant personal information to develop recommendations to achieve your life style planning goals.

An individual's risk tolerance is an important factor in making investment decisions and may also be used in other contexts such as risk insurance, risk management etc.

The most important factor in making investment decisions is to have an understanding of the risks involved in making such decisions. Financial or investment risk is generally defined as the risk that the investment decision may not meet expectations or not achieve an individual's stated objectives. Risk tolerance is a measure of an individual's level of comfort in relation to investment or financial risk.

The VisiProfiler Questionnaire

Risk tolerance testing is not only a measure of an individual's psychological aspects towards financial risk, but considers many other factors that are predictors of an individual's risk tolerance. Some of these predictors include your locus of control, general knowledge and past experiences.

VisiProfiler is a multi-dimensional tool that combines demographic, socio-economic, financial knowledge, locus of control and other factors into a single tool to assist in determining an individual's risk tolerance. VisiProfiler has been designed to determine many of the key predictors of an individual's risk tolerance. The question segments cover the following areas:

- Demographic data collection.
- General investment knowledge.
- Measurement of psychological aspects such as attitudes to investment, emotions, personal beliefs and knowledge levels.
- Hypothetical situations.
- An individual's locus of control (an individual's perceived ability to control their future).
- Past experiences.
- Attitudes towards different types of risk.

Version 2

How do I answer the questionnaire?

The questions have been provided to you in a multiple-choice format. Please provide only one answer to each question. As you have a limited choice of answers, you may find that none are your preferred answer to a particular question. Please do your best to select an answer from those available.

Why are so many questions required?

There are a total of 27 questions. The first 2 of these are questions to collect demographic information about you. The number of questions is required in order to provide an accurate assessment of your risk tolerance. As we explained above, there are many different individual aspects or risk tolerance predictors that need to be measured.

How do I answer questions that contain hypothetical situations?

There are questions in the VisiProfiler questionnaire that are based on hypothetical situations. These questions are designed to assess how you may react in a similar situation, even though you may not have been in this situation. Please do your best to imagine the situation and provide an answer.

The Role of Your Financial Adviser

Your financial adviser will use your risk tolerance assessment in addition to other personal information to develop appropriate recommendations. Your risk-tolerance report is designed to assist your financial adviser in satisfying their legal requirements including "know your client rule". Section 945A (1) of Corporations Act 2001 which requires financial planners to have a "reasonable basis for making a recommendation" this is dealt with further under ASIC policy statement 175.

As your risk tolerance will change dependant upon your experiences and further education your financial adviser may also re-asses your risk tolerance periodically.

The Role of Monash University

The Department of Econometrics and Business Studies at Monash University has publicly endorsed VisiProfiler as an appropriate method for assessment of an investor's investment risk grouping. Monash University has conducted statistical analysis of the results obtained by the product and has confirmed that the results meet a high degree of measurement accuracy. Monash University will continue to be involved with the on-going development of VisiProfiler.

The VisiProfiler Questionnaire does not constitute financial advice. The VisiProfiler Questionnaire is a tool to assist licensed financial planners with determining the objectives, financial situation and needs of the client in their preparation of general or personal financial advice and should not be relied upon as the sole factor in preparing a recommendation. Information collected in this questionnaire should be dealt with in accordance with the Privacy Act 1988 (Cth). VisiPlan Pty Ltd does not accept any liability, whether direct, indirect arising from the use of information contained in this report.

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Section 1

Client A **Client B**

1.1 What is your marital status?

- | | |
|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> Never married |
| <input type="checkbox"/> | <input type="checkbox"/> Divorced |
| <input type="checkbox"/> | <input type="checkbox"/> Separated |
| <input type="checkbox"/> | <input type="checkbox"/> Widowed |
| <input type="checkbox"/> | <input type="checkbox"/> Defacto |
| <input type="checkbox"/> | <input type="checkbox"/> Married |
| <input type="checkbox"/> | <input type="checkbox"/> Do not wish to answer |

1.2 In which sector are you currently employed or sector you were previously employed?

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Unemployed |
| <input type="checkbox"/> | <input type="checkbox"/> Labourers |
| <input type="checkbox"/> | <input type="checkbox"/> Production and transport workers |
| <input type="checkbox"/> | <input type="checkbox"/> Clerical, service and sales |
| <input type="checkbox"/> | <input type="checkbox"/> Tradespersons |
| <input type="checkbox"/> | <input type="checkbox"/> Managers and professionals |
| <input type="checkbox"/> | <input type="checkbox"/> Do not wish to answer |

Section 2

	Client A	Client B
--	-----------------	-----------------

2.1 I usually get what I want in life.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

2.2 If I do not succeed on a task, I tend to give up.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

2.3 I never try anything that I am not sure of.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

2.4 A person can get rich by taking risks.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

2.5 Persistence and hard work usually lead to success.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

Section 3

Client A Client B

3.1 When considering taking financial risks, how do you view yourself?

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> A very low risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> A low risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> A moderately low risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> An average risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> A moderately high risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> A high risk taker |
| <input type="checkbox"/> | <input type="checkbox"/> A very high risk taker |

3.2 Which of the following statements best describes your investment knowledge and understanding when considering investment?

- | | |
|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> I have profited from investing in shares and managed funds based on my own research and knowledge |
| <input type="checkbox"/> | <input type="checkbox"/> I have invested in shares and managed funds and I have gained a significant amount of knowledge through this experience |
| <input type="checkbox"/> | <input type="checkbox"/> I have invested in shares and managed funds in the past and I have gained some knowledge through this experience |
| <input type="checkbox"/> | <input type="checkbox"/> I have had investments in shares and managed funds without gaining much knowledge in this area |
| <input type="checkbox"/> | <input type="checkbox"/> I have never invested in shares or managed funds and I have virtually no knowledge in this area |

3.3 Investment is too difficult to understand.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

3.4 I am more comfortable putting my money in a bank account than in the share market.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

Client A Client B

3.5 Making money in shares and bonds is based on luck.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

3.6 The best way to reduce financial risk is to diversify.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

3.7 During times of higher inflation it can be more expensive to borrow money due to high interest rates.

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Strongly agree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to agree |
| <input type="checkbox"/> | <input type="checkbox"/> Neither agree nor disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Tend to disagree |
| <input type="checkbox"/> | <input type="checkbox"/> Strongly disagree |

3.8 Many types of investments can fluctuate up and down in value. Financial services professionals state that you should be able to endure downturns in the value of your investments over short-term periods. Based on the answers below, by how much could your investment fall in value over a short-term period before you feel uncomfortable.

- | | |
|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> I would be uncomfortable with any fall in the value of my investments |
| <input type="checkbox"/> | <input type="checkbox"/> Up to a 5% fall in value |
| <input type="checkbox"/> | <input type="checkbox"/> Up to a 10% fall in value |
| <input type="checkbox"/> | <input type="checkbox"/> Up to a 25% fall in value |
| <input type="checkbox"/> | <input type="checkbox"/> Up to a 33% fall in value |
| <input type="checkbox"/> | <input type="checkbox"/> Up to a 50% fall in value |
| <input type="checkbox"/> | <input type="checkbox"/> A fall in value of more than 50% |

Section 4

Client A Client B

- 4.1 When you have made a significant financial decision, which of the following best describes how you usually feel after making such a decision.
- | | | |
|--------------------------|--------------------------|------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Very pessimistic |
| <input type="checkbox"/> | <input type="checkbox"/> | Somewhat pessimistic |
| <input type="checkbox"/> | <input type="checkbox"/> | Neither pessimistic nor optimistic |
| <input type="checkbox"/> | <input type="checkbox"/> | Somewhat optimistic |
| <input type="checkbox"/> | <input type="checkbox"/> | Very optimistic |
- 4.2 If you were confronted with a significant financial decision in relation to an investment, would you be more concerned about the potential losses or the potential gains?
- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Always the potential losses |
| <input type="checkbox"/> | <input type="checkbox"/> | Usually the potential losses |
| <input type="checkbox"/> | <input type="checkbox"/> | Equally concerned about the losses and gains |
| <input type="checkbox"/> | <input type="checkbox"/> | Usually the potential gains |
| <input type="checkbox"/> | <input type="checkbox"/> | Always the potential gains |
- 4.3 Have you ever invested a significant amount of money into an investment that fluctuates up and down in value, how did it make you feel when the investment fell in value?
- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Highly anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Moderately anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Slightly anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Not worried at all |
| <input type="checkbox"/> | <input type="checkbox"/> | I have never invested in this type of investment |
- 4.4 When financial decisions you have made in the past have not turned out to be as successful as you had planned, which of the following statements best describes how you felt?
- | | | |
|--------------------------|--------------------------|--------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Highly anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Moderately anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Slightly anxious |
| <input type="checkbox"/> | <input type="checkbox"/> | Not worried at all |

Client A Client B

4.5 If you have ever borrowed money to make an investment other than your home, what type of investment was it?

- | | |
|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> An investment property |
| <input type="checkbox"/> | <input type="checkbox"/> Managed Funds |
| <input type="checkbox"/> | <input type="checkbox"/> Shares |
| <input type="checkbox"/> | <input type="checkbox"/> A mix of two or more of the above |
| <input type="checkbox"/> | <input type="checkbox"/> I have never borrowed to invest in any of these investments |

4.6 Based on your answer to question 4.5, how did borrowing to invest make you feel?

- | | |
|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> Very stressed |
| <input type="checkbox"/> | <input type="checkbox"/> Somewhat stressed |
| <input type="checkbox"/> | <input type="checkbox"/> Did not concern me |
| <input type="checkbox"/> | <input type="checkbox"/> Confident |
| <input type="checkbox"/> | <input type="checkbox"/> Excited |
| <input type="checkbox"/> | <input type="checkbox"/> Not applicable |

Section 5

Client A Client B

5.1 Suppose you unexpectedly inherited a large sum of money, you are debt free and wanted to invest the money for your future. Which of the following investments would you consider most appropriate?

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Invest the majority in cash and term deposits |
| <input type="checkbox"/> | <input type="checkbox"/> | Invest the majority in real estate |
| <input type="checkbox"/> | <input type="checkbox"/> | Invest the majority in shares |
| <input type="checkbox"/> | <input type="checkbox"/> | A mix of two or more of the above |
| <input type="checkbox"/> | <input type="checkbox"/> | Spend it all |

5.2 Suppose that two years ago you purchased shares in a company that was recommended to you by experts due to the future business prospects of that company. After a two year period of the share market in a downward trend (a bear market) the shares of the company were trading at a lower price than what you paid for them.

You subsequently receive expert advice that confirms that even though the share price is lower due to the share market conditions over the last two years, the future prospects of the company are even stronger than previously advised. Given that your shares in this company are already trading at a loss, would you buy more shares in this company based on the latest expert advice?

- | | | |
|--------------------------|--------------------------|----------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Definitely not |
| <input type="checkbox"/> | <input type="checkbox"/> | Probably not |
| <input type="checkbox"/> | <input type="checkbox"/> | Not sure |
| <input type="checkbox"/> | <input type="checkbox"/> | Probably |
| <input type="checkbox"/> | <input type="checkbox"/> | Definitely |

5.3 A retirement income stream provides regular income usually in the form of a pension payment and is generally purchased using your savings and superannuation benefits. Retirement income streams come in many forms and vary as to the level of flexibility and control that a person has over the income stream, the underlying investment and whether or not your beneficiaries will receive the remaining value of your investment in the event of your death.

Assume you invested your life savings into a retirement income stream, what are the features that would be the most important to you?

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Ability to access your capital at any time and retain control over the investment strategy, however the income stream would not be guaranteed for life |
| <input type="checkbox"/> | <input type="checkbox"/> | Receiving a lower less flexible income stream that is guaranteed to last the life-time of you and your partner with no residual value paid to your estate in the event of your deaths |
| <input type="checkbox"/> | <input type="checkbox"/> | Do not have a preference |

Client A Client B

5.4 Investment gearing is the process of borrowing money to invest, although gearing can increase the potential return significantly and often provide taxation benefits; it also significantly increases the level of risk.

Suppose a financial planner recommended that you borrow money to invest in a portfolio of managed funds and shares, which of the following would best describe your reaction?

- I would see this as an opportunity to significantly increase my wealth and would not be concerned about the increased risk
- I would consider the opportunity but would feel uneasy about the increased risk
- I would never agree to borrow money to invest as I consider the risk too high

5.5 One of the major aspects of financial planning is to organise your financial affairs to minimise the impact of taxation and maximise any available government benefits, such as the age pension or similar benefit. After organising your financial affairs in this way, a change in legislation could leave you in a worse position or no better off.

In consideration of this issue, would you organise your affairs in this way in order to qualify for a government benefit or to minimise taxation, and bear the risk that the legislation may change?

- I would not take a risk if there were any chance that legislation could change and leave me in a worse position
- I would take a risk if there was a relatively low chance that the legislation could change leaving me in a worse position
- I would only take a risk if there was at least a 50% chance or greater that I would be in a better position

5.6 Suppose that you have set an objective to retire at a particular age and have also determined the lifestyle you require in retirement. Your financial planner has advised you that in order to achieve the lifestyle you require in retirement at the specified age, you will need to make investments of a higher risk than you would normally feel comfortable with.

Which of the following options would you feel most comfortable with?

- I would rather take a higher risk investment than alter my retirement objectives
- I would rather take a combination of higher risk investment as well as altering my retirement objectives
- I would rather alter my retirement objectives than take any more risk