

Investor Risk Questionnaire



Prepared for

You

Member number

Your partner

Member number

Your Financial Planner is

Consultation date

Contact number

Private and Confidential

Initial appointment

Review appointment

FSG provided

In determining an appropriate asset allocation for you, it is important that all your attitudes and approaches to investment are considered. A number of factors should be taken into account including your investment objectives and time horizon, risk tolerance and personal financial situation.

The following Investor Risk Questionnaire is designed to assist you to understand your own unique investment attitudes and risk/return preferences.

Based on your answers to the following questions and with further discussion, your Telstra Super Financial Planning Planner will work with to develop a portfolio designed to achieve your goals whilst remaining within acceptable and appropriate risk levels.

Depending on your circumstances, it may be appropriate to complete the questionnaire more than once, for different investment goals.

Directions: Tick the circle next to your chosen response. Please choose only one response per question.

Question 1

Compared to others, how do you rate your willingness to take financial risk?

- a Extremely low risk taker
 - b Low risk taker
 - c Average risk taker
 - d High risk taker
 - e Extremely high risk taker
-

Question 2

When you first think of the word 'risk' in a financial context, which of the following words initially come to mind?

- a Danger
 - b Uncertainty
 - c Opportunity
 - d Thrill
-

Question 3

When do you plan to begin to withdraw funds from this portfolio?

- a 2 years or less
 - b 3 - 5 years
 - c 6 - 10 years
 - d 11 - 15 years
 - e More than 15 years
-

Question 4

Over what period do you plan to spend the money in this portfolio?

- a 2 years or less
 - b 3 - 5 years
 - c 6 - 10 years
 - d 11 - 15 years
 - e More than 15 years
-

Question 5

When you think of a long term investment, what do you consider to be an appropriate 'holding period'?

- a 1 - 2 years
 - b 3 - 4 years
 - c 5 - 6 years
 - d 7 - 8 years
 - e 9 or more years
-

Question 6

In October 1987 the Australian Share Market fell more than 40% during the month. If you owned an investment that fell by over 40% over a short period, what do you think you would do?

- a Sell all of the remaining investment
- b Sell a portion of the remaining investment
- c Hold the investment and sell nothing
- d Buy more of the investment if you had available funds

Question 7

Consider this statement and indicate how strongly you agree with it:

To reach this financial goal, I prefer an investment with little or no fluctuation in value, and I am willing to accept a lower return.

- a I strongly agree
- b I agree
- c I somewhat agree
- d I disagree
- e I strongly disagree

Question 8

If you had to choose between more job security with a small pay rise and less job security with a big pay rise, which do you think you would pick?

- a Definitely more job security with a small pay rise
- b Probably more job security with a small pay rise
- c Unsure
- d Probably less job security with a big pay rise
- e Definitely less job security with a big pay rise

Question 9

Consider this statement and indicate how strongly you agree with it:

During market declines, I tend to sell portions of riskier assets and invest the money in safer assets.

- a I strongly agree
- b I agree
- c I somewhat agree
- d I disagree
- e I strongly disagree

Question 10

What degree of risk have you taken with your financial decisions in the past?

- a Very small
 - b Small
 - c Medium
 - d Large
 - e Very large
-

Question 11

Investments go up and down in value and experts often say that you should be prepared to weather a downturn.

How much would the value of **all your investments** have to go down for you to feel uncomfortable enough to consider selling out?

- a Any fall in value would make me feel uncomfortable
- b 10%
- c 20%
- d 33%
- e 50%
- f More than 50%

Question 12

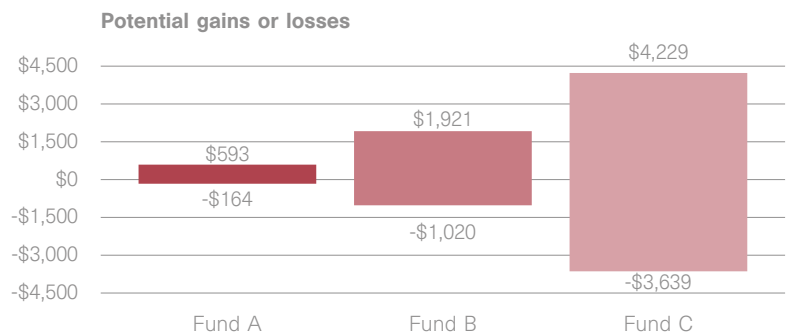
During the first half of 1994, some fixed interest investments fell by more than 6%. If I owned an investment that fell by more than 6% over a short period, I would...

- a Sell all of the remaining investment
- b Sell a portion of the remaining investment
- c Hold the investment and sell nothing
- d Buy more of the investment

Question 13

The chart below shows the highest one-year gain and highest one-year loss of three different hypothetical investments of \$10,000*. Given the potential gain or loss in any one year, where do you think you would invest your money?

- a Fund A
- b Fund B
- c Fund C



*The maximum gain or loss on an investment is impossible to predict. The ranges shown in this chart are hypothetical and are designed solely to gauge your tolerance for risk.

Question 14

What degree of risk are you currently prepared to take with your financial decisions?

- a Very small
- b Small
- c Medium
- d Large
- e Very large

End of Questionnaire

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