

# AGM Financial Services Pty Ltd

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## Risk Profile Questionnaire

*This questionnaire helps us understand your investment experiences and your tolerance to risk. After carefully assessing your risk tolerance, we can recommend investments that are appropriate to you.*

1. Please rate each of the following needs on a scale of 1 to 5. The higher the number the higher your concern.

Need	Rate from (1 to 5)	Need	Rate from (1 to 5)
Inflation Protection	<input type="checkbox"/>	Investments to Provide Current Income	<input type="checkbox"/>
Security of Capital	<input type="checkbox"/>	Ease of Management	<input type="checkbox"/>
Tax Efficiency	<input type="checkbox"/>	Maximise Estate Value	<input type="checkbox"/>
Liquidity / Flexibility	<input type="checkbox"/>	Ethical Investments (ESG)	<input type="checkbox"/>

2. How familiar are you with investment markets?

- 1) Very little understanding or interest.
- 2) Understand the importance of diversification.
- 3) Understand markets may fluctuate and different market sectors offer different income, growth and taxation characteristics.
- 4) Experienced with all investment sectors and understand the various factors, which may influence performance.

3. What return do you reasonably expect to achieve from your investments?

- 1) A low return without risk of capital loss
- 2) CPI plus 3 % pa. (5%)
- 3) CPI plus 5 % pa. (7%)
- 4) Over 8% pa.

4. How much confidence do you have in your ability to make good financial decisions?

- 1) Very little ability
- 2) Little ability
- 3) Average ability
- 4) Reasonable ability
- 5) Great deal ability

5. If you did not need your capital for more than 10 years, how long would you be prepared to see your investment performing poorly before you cashed it in?

- 1) You would cash in if there was any loss in value.
- 2) Less than one year.
- 3) Up to 3 years.
- 4) Up to 5 years.
- 5) Up to 10 years.

6. What would your reaction be if in six months after placing your investments, you discover that, **in line** with what is happening in the financial markets, your portfolio has decreased in value by 20%?

- 1) Horror, security of your capital is critical and you did not intend to take risks.
- 2) You would cut your losses and transfer your funds into a more secure investment sector.
- 3) You would be concerned, but would wait to see if the investment improves.
- 4) This was a calculated risk and you would leave the investments in place, expecting performance to improve.
- 5) You would invest more funds to lower your average investment price, expecting future growth.

7. Investments can go up and down in value. By how much could the total value of all your investments go down before you would begin to feel uncomfortable?
- 1) Any fall in value would make me uncomfortable.
  - 2) 10%
  - 3) 20%
  - 4) More than 40%

8. Compared to others, how do you rate your willingness to take financial risk?
- 1) Extremely low risk taker
  - 2) Low risk taker
  - 3) Average risk taker
  - 4) High-risk taker
  - 5) Very high-risk taker

9. What degree of risk have you taken with your financial decisions in the past?
- 1) Very small risk
  - 2) Small risk
  - 3) Average risk
  - 4) High risk
  - 5) Very high risk

10. What degree of risk are you currently prepared to take with your financial decisions?
- 1) Very small risk
  - 2) Small risk
  - 3) Average risk
  - 4) High risk
  - 5) Very high risk

11. Which of these investor types do you believe best describes you?

**Conservative** - Risk must be very low and you are prepared to accept lower returns to protect capital. The negative effects of tax and inflation will not concern you, provided your initial investment is protected.

**Cautious** - Seeking better than basic returns, but risk must be low. Typically seeking to protect the wealth, which you have accumulated. You may be prepared to consider some growth investments.

**Prudent** - Wants a balanced portfolio to work towards medium to long term financial goals. You require an investment strategy, which will cope with the effects of tax and inflation. Calculated risks will be acceptable to you to achieve good returns.

**Assertive** - Prepared to accept higher volatility and moderate risks. Your primary concern is to accumulate assets over the medium to long term. You require a balanced portfolio, but more aggressive investments may be included.

**Aggressive** - Prepared to compromise portfolio balance to pursue potentially greater long-term results. Your investment choices are diverse, but carry with them a higher level of risk. Security is secondary to the potential for wealth accumulation.

**Client Comments / Questions:** (Eg. preferred asset allocation, positive/negative experiences, etc)

**CLIENT ACKNOWLEDGEMENT**

I/We confirm that the details recorded in this worksheet are correct and reflect my /our true financial position and investor risk profile.

Client Signature ----- Partner Signature -----

Client Name ----- Partner Name -----

Dated ----- Dated -----

**Adviser Notes & Assessment:** (Risk Profile: Defensive / Mod.Defensive / Balanced / Growth / High Growth)