

# Your investment risk profiled

This risk profiler is designed to help you feel more comfortable in making an investment choice. It can help you identify how comfortable you are with risk. Using this information, you can choose an investment option with the same or a similar risk aspect.

It's quick to use - just answer each question and take note of the score. When you have answered all the questions, add your individual scores together to get a total score. Using your total score, you can see which investment option has the same level of risk.

It's important to remember a risk profiler is just one of many tools available to help you make financial decisions. While it can give you a general idea of your risk personality, the results are not comprehensive. Only an appropriately authorised advisor can undertake a comprehensive analysis of your circumstances. You should think therefore whether the investment option is suitable in light of your objectives, financial situation and needs.

## Questionnaire

### Question 1

What do you plan to do with your superannuation nest egg at retirement?

- |  |   |
|--|---|
| <b>a</b> Withdraw the money from superannuation and purchase luxuries                            | 2 |
| <b>b</b> Leave the investment to grow with compound interest for as long as financially possible | 8 |
| <b>c</b> Use the money to commence a pension to fund your retirement                             | 6 |
| <b>d</b> Withdraw a lump sum and also commence a regular pension                                 | 4 |

### Question 2

How long until you expect to retire?

- |                           |    |
|---------------------------|----|
| <b>a</b> 0 to 2 years     | 2  |
| <b>b</b> 2 to 3 years     | 4  |
| <b>c</b> 3 to 5 years     | 6  |
| <b>d</b> 5 to 10 years    | 8  |
| <b>e</b> 10 or more years | 10 |

### Question 3

What would you do if your investment lost 25% of its value in the short term?

- |  |   |
|--|---|
| <b>a</b> Switch your investment to avoid losing your investment entirely                 | 2 |
| <b>b</b> Switch some of your investment and continue to monitor your investments closely | 4 |
| <b>c</b> Do nothing and continue to closely monitor the performance of the investment    | 6 |
| <b>d</b> Switch more of the investment whilst the value is low                           | 8 |

### Scoring

### Question 4

Given lower investment returns are generally associated with lower investment risks, and conversely, higher returns with higher investment risks, what rate of return would you expect on your superannuation investment?

- |                     |   |
|---------------------|---|
| <b>a</b> 5% or less | 4 |
| <b>b</b> 5% to 7%   | 6 |
| <b>c</b> 7% or more | 8 |

### Question 5

If you received an unexpected windfall of \$50,000, and were planning to invest this capital for a minimum period of 10 years, what type of investment would you choose?

- |   |   |
|---|---|
| <b>a</b> Your savings account                           | 2 |
| <b>b</b> Term Deposits with your local Building Society | 4 |
| <b>c</b> An investment property                         | 6 |
| <b>d</b> A share portfolio                              | 8 |

### Question 6

What is the most aggressive or 'risky' investment you have ever made?

- |  |   |
|--|---|
| <b>a</b> Superannuation investments                        | 2 |
| <b>b</b> Direct property, your home or investment property | 4 |
| <b>c</b> Shares, with advice from a broker                 | 6 |
| <b>d</b> Shares, without advice from a broker              | 8 |

### Scoring

### Scoring

### Scoring

### Scoring

### Question 7

Which of the RecruitmentSuper investment options do you think is most appropriate for your investment needs?

- a** Cash
- b** Stable
- c** Moderate
- d** Growth
- e** Aggressive

### Scoring

- 3
- 5
- 7
- 9
- 11

### Scoring methodology

Scoring	Investment option
23 and under	Cash
24-30	Stable
31-40	Moderate
41-50	Growth
51-61	Aggressive

You can decide on another investment option as this profiler is for general illustration purposes only. More information about each investment option can be found below.

## Investment options explained

### Cash

This option aims to achieve a return (net of fees and taxes) of at least 1.0% a year above CPI<sup>1</sup> over rolling two-year periods. This option aims to avoid negative annual returns.

#### Strategic asset allocation<sup>2</sup>

Cash - 100%

### Stable

This option aims to achieve a return (net of fees and taxes) of at least 2.0% a year above CPI<sup>1</sup> over rolling three-year periods. This option may expect a negative return approximately once every 12 years.

#### Strategic asset allocation<sup>2</sup>

Shares - 20%  
 Property - 10%  
 Liquid alternatives - 5%  
 Private capital - 0%  
 Bonds - 40%  
 Cash - 25%

#### Estimated investment fees and costs<sup>3</sup>

0.07% p.a

#### Asset allocation ranges<sup>3</sup>

Shares - 10% to 30%  
 Property - 5% to 15%  
 Liquid alternatives - 0% to 15%  
 Private capital - 0% to 5%  
 Bonds - 35% to 45%  
 Cash - 20% to 30%

#### Estimated investment fees and costs<sup>4</sup>

0.28% - 0.32% p.a

1. CPI stands for Consumer Price Index, which is a measure of the average price of consumer goods and services purchased by Australian households. The percentage change in the CPI is used as a measure of the rate of inflation.

2. Strategic asset allocation refers to the long-term diversified policy mix implemented by the Trustee that is most likely to achieve the option's investment objectives.

3. These are based on the option's strategic asset allocation and on negotiated fees as at the date of publication. These may change at any time and, while the Trustee will attempt to provide members with advice of any changes to investment fees, this may not always be possible. Please refer to this website where any changes to these fees will be posted.

4. These are based on the option's strategic asset allocation and on negotiated fees as at the date of publication. These may change at any time and, while the Trustee will attempt to provide members with advice of any changes to investment fees, this may not always be possible. Please refer to this website where any changes to these fees will be posted.

## Moderate

This option aims to achieve a return (net of fees and taxes) of at least 2.5% a year above CPI<sup>1</sup> over rolling four-year periods. This option may expect a negative return approximately once every eight years.

### Strategic asset allocation<sup>2</sup>

Shares - 37.5%	Private capital - 0%
Property - 10%	Bonds - 30%
Liquid alternatives - 10%	Cash - 12.5%

### Asset allocation ranges<sup>3</sup>

Shares - 25% to 45%	Private capital - 0% to 7.5%
Property - 5% to 15%	Bonds - 25% to 35%
Liquid alternatives - 5% to 20%	Cash - 5% to 15%

### Estimated investment fees and costs<sup>4</sup>

0.35% - 0.43% p.a.

## Growth

This option aims to achieve a return (net of fees and taxes) of at least 3.0% a year above CPI<sup>1</sup> over rolling five-year periods. This option may expect a negative return approximately once every six years.

### Strategic asset allocation<sup>2</sup>

Shares - 53%	Private capital - 2%
Property - 10%	Bonds - 20%
Liquid alternatives - 15%	Cash - 0%

### Asset allocation ranges<sup>3</sup>

Shares - 40% to 60%	Private capital - 0% to 10%
Property - 5% to 15%	Bonds - 15% to 25%
Liquid alternatives - 10% to 25%	Cash - 0% to 10%

### Estimated investment fees and costs<sup>4</sup>

0.44% - 0.56% p.a.

## Aggressive

This option aims to achieve a return (net of fees and taxes) of at least 4.5% a year above CPI<sup>1</sup> over rolling eight-year periods. This option may expect a negative return approximately once every four years.

### Strategic asset allocation<sup>2</sup>

Shares - 68%	Private capital - 2%
Property - 10%	Bonds - 0%
Liquid alternatives - 20%	Cash - 0%

### Asset allocation ranges<sup>3</sup>

Shares - 50% to 80%	Private capital - 0% to 15%
Property - 5% to 15%	Bonds - 0% to 5%
Liquid alternatives - 15% to 30%	Cash - 0% to 10%

### Estimated investment fees and costs<sup>4</sup>

0.48% - 0.64% p.a.

## Important notices

Professional Associations Superannuation Limited (PASL) (ABN 14 056 917 303 AFSL 222590 RSE L0000352) is the Trustee of Professional Associations Superannuation Fund (PASF) (ABN 78 984 178 687 RSE R1000429). RecruitmentSuper is a Division of PASF.

Your personal objectives, situation or needs have not been taken into account.

Accordingly, before making a decision about RecruitmentSuper, you should consider the relevant Product Disclosure Statement, in light of your personal objectives, situation or needs.

To obtain a Product Disclosure Statement, ask the consultant, call us or visit the RecruitmentSuper website [www.recruitmentsuper.com.au](http://www.recruitmentsuper.com.au)

Note: This risk profiler is not suitable for pensioners.