

MAKING YOUR MONEY WORK - CHOICES

YOUR PERSONAL FINANCIAL CIRCUMSTANCES

The strategy you decide on will also vary depending on your personal circumstances. For example: your age, when you intend to retire, your dependants and any other investments you may have.

Te Ara Ahunga Ora Retirement Commission's website www.sorted.org.nz has information about saving for your retirement and calculators to help you work out how much you need to save. If you would like help making your investment choice, the Trustee suggests you contact an independent investment adviser. You can find more resources on our website, www.dairysuper.co.nz/financial-advice.

GUIDANCE EXERCISE

To help you work out your risk profile, you might like to complete the guidance exercise on the second page. You then add all six scores together from that exercise to get a grand total and refer to the number under the column headed 'Your total scores' for an indication of the fund(s) that might suit your profile. If your score is near the top or bottom of one of the ranges, you may wish to consider putting 50% into two adjoining funds (see "More options" below).

But, bear in mind this is an indication only – the choice of fund is yours alone. This table should only be used as an approximate guide to help you make your investment choice. Ultimately, you have to be comfortable with the level of volatility and potential return from the investment fund you select. No returns are guaranteed by your employer, the Trustee, the investment managers or any other person associated with the Scheme.

Your total scores	Your risk profile	Investment guidance
0 - 16 Cash	<ul style="list-style-type: none"> Avoid markets that go up and down in price Prefer safety over the opportunity to earn a high return 	100% Cash
17 - 27 Conservative	<ul style="list-style-type: none"> Accept short-term fluctuations in return for some long-term capital growth 	75% Income Assets 25% Growth Assets
28 - 38 Balanced	<ul style="list-style-type: none"> Willing to accept greater risk to get greater potential return 	40% Income Assets 60% Growth Assets
39+ Growth	<ul style="list-style-type: none"> Comfortable taking a high degree of risk in the hope of getting a far greater return in the future 	20% Income Assets 80% Growth Assets

MORE OPTIONS:

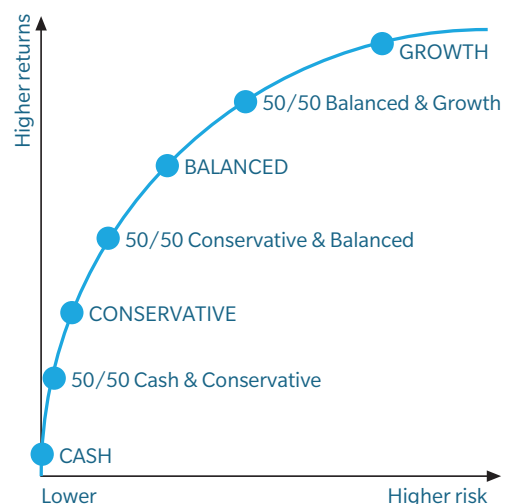
If none of the fund options suit, you can choose to combine two adjoining funds.

You can elect your funds to be:

- 50% in the Cash fund and 50% in the Conservative fund, or
- 50% in the Conservative fund and 50% in the Balanced fund, or
- 50% in the Balanced fund and 50% in the Growth fund.

THE RISK AND RETURN CURVE:

On this Risk and Return curve, where do you want your superannuation investments to be?



GUIDANCE EXERCISE

A personal 'risk vs return' questionnaire

The questionnaire below has been designed to give you some indication of what type of investor you are.

DIRECTION:

Answer each of the questions below by choosing the most appropriate description, then circle the score in the right-hand column.

Add all six scores together to get a grand total and refer to the table on the first page for conclusions.

1	How long before you expect to stop working?	
	A. Less than 5 years	2
	B. 5 – 10 years	6
	C. Over 10 years	8
2	Given that seeking higher investment returns usually involves a higher level of investment risk, how important is it to you that you maximise your return over the long term?	
	A. Not important	2
	B. Fairly important	4
	C. Important	6
	D. Very important	8
3	Over what timeframe might you be able to tolerate a loss in your investment?	
	A. Never	2
	B. Over a one-or-two-year period	6
	C. As the market fluctuates	8
4	How would you react if one year your retirement savings delivered a poor return?	
	A. I would be very uncomfortable	2
	B. I would be fairly concerned	4
	C. I would expect it from time to time	6
	D. It would not concern me at all	8
5	If you could invest in the sharemarket, what would you choose?	
	A. I wouldn't invest in shares, they're too risky	2
	B. A broad selection of shares in established companies	6
	C. A mix of shares in both established and small growing companies	8
6	You inherit \$50,000. Where would you invest it?	
	A. With a bank	2
	B. In a mix of different investments but mostly in fixed interest-type investments	4
	C. In a mix of different investments but mostly in shares	6
	D. Just in shares	8
	TOTAL SCORE:	