FinaMetrica
Risk Tolerance Profiling

CLIENTS FOR LIFE

CREATING LIFETIME RELATIONSHIPS, THROUGH BETTER ADVICE THAT RESULTS IN CLIENTS WHO REFER MORE, INVEST MORE AND REMAIN APPROPRIATELY INVESTED THROUGH MARKET HIGHS AND LOWS.

Right advice, from the very first meeting

Happy clients are valuable clients

A tick in every box

Tried and trusted

The FinaMetrica Risk Tolerance Toolkit[TM] helps advisors and enterprises create lifetime clients through better financial advice. It was launched in 1998, developed and trialed in Australia over four years with the assistance of the University of New South Wales. It's now maintained with senior academics from the London School of Economics and has gained international recognition as the world's best practice risk profiling. The Toolkit's reliability and validity is backed by over a million profiles set up by thousands of independent financial advisors in over 20 countries.

- We help financial services organisations form profitable, lifetime relationships with clients.

- We connect advisors and corporates with clients as individuals, ending the life-stage stereotyping.

- We use the world's most awarded and highly endorsed FinaMetrica Risk Tolerance Toolkit™ — validated on over one million people.

"There are other instruments and other methodologies [for risk tolerance assessment], but I haven't seen any that are as academically and procedurally defensible as this." - **Bob Veres, Inside Information**

"FinaMetrica is a world leader in developing sound, practical tools that enable practitioners to address the single most important factor in guiding clients towards a successful investment program - their personal risk profile." - **Harold Evensky, Evensky & Katz Wealth Management**

"The best way to measure risk tolerance is with a genuine psychometrically designed risk tolerance questionnaire for which FinaMetrica is the clear leader." - **Michael Kitces, Pinnacle Advisory Group**

FINAMETRICA'S FOUR RISK CONSISTENCIES

Much of financial services involves explaining the complex as well as creating and nurturing long-term relationships. FinaMetrica strives to facilitate and improve communication between clients. There are four risk consistencies that ensure an enterprise communicates effectively about risk both internally and with clients.

SCALABLE SCIENTIFIC RISK PROFILING THAT MEET THE NEEDS OF ALL CLIENTS	AN EMPIRICAL FOUNDATION FOR THE MAPPING OF RISK SCORES TO PORTFOLIOS
FinaMetrica's four risk consistencies	
A PRACTICAL PROCESS TO FRAME PERFORMANCE AGAINST EXPECTATIONS	THE STANDARDISATION OF LANGUAGE AND CLEAR COMMUNICATION

There is growing evidence that investors with unframed risk and investment expectations run underperforming portfolios. They are prone to emotional responses, leading to value diminishing market timing. Simply put, they trade in response to the news; buying high and selling low more often than not.

HOW FINAMETRICA INTEGRATES WITH FINANCIAL ADVICE ENTERPRISES

Most enterprises choose to integrate FinaMetrica with their own IT platforms.

In effect, FinaMetrica is a risk tolerance assessment algorithm which integrates seamlessly into the graphic user interface (GUI) of the enterprise so that it becomes part of enterprises 'on-boarding' process for new clients.

Integration with FinaMetrica offers enterprises:

- The benefits of world's best practice psychometric risk tolerance assessment tools.
- Compliance with regulations regarding know-your-client and risk tolerance assessment.
- Defensibility of robust process.

A questionnaire is at the core of FinaMetrica's risk tolerance assessment tools. It produces a risk tolerance score, which can be mapped to the enterprises' model portfolios.

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FinaMetrica is equally at home in the robo advice channel or hybrid/cyborg channel, where the results of the test can be a very valuable trigger for conversations between the advisor and client.

INTEGRATION SOLUTIONS

The FinaMetrica risk profiling system can be seamlessly integrated with third-party software or website to optimise the user experience. Below is a matrix of service offerings.

	WHAT	WHO	BENEFIT
RISK TOLERANCE ONLY	12 & 25 QUESTION VERSIONS	ADVISORS	INDEPENDENT, SCIENTIFIC & PROVEN
INVESTOR PROFILER	PLUG-IN SUITABILITY ALGORITHMS	ROBOS & CYBORGS	DEFENSIBLE, ACADEMIC RIGOUR
MAPPINGS	LINKING RISK TOLERANCE TO PORTFOLIOS	ADVISORS, ROBOS & CYBORGS	EMPIRICAL BASED METHODOLOGY
INTEGRATION SOLUTIONS	SSO, EMBEDDED	SERVICE SUPPLIERS	EFFICIENCY GAINS
INTEGRATIONS (PLANNING INCLUDED)	PLANPLUS, MGPRO FINANCELOGIC	ADVISORS & ENTERPRISES	DE-RISKED PURCHASE DECISIONS
INTEGRATIONS (OTHER)	RIXTREMA, ORION, REDTAIL, MACRORISK	ADVISORS & ENTERPRISES	EFFICIENCY GAINS
DESCRIPTORS	UNIQUE HISTORICAL ANALYSIS OF PORTFOLIOS	ADVISORS & ENTERPRISES	FRAME INVESTORS' EXPECTATIONS

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