

Supplementary File 1 - Cognitive Normality of Sample

Digit Span Backwards

Raw scores were converted to scaled score equivalents by age group using Table C.1 of the WAIS-IV Administration Manual:

	Raw	Scaled
Min	2	2
Max	15	18
Mean (SD)	6.39 (2.21)	8.38 (2.85)

Phonemic Verbal Fluency

Following Troyer (2000)'s calculation guides, phonemic verbal fluency raw scores were recalculated to normative data based on age, education, and measure used. Specifically:

Normative Score = raw score + (age of participant X .04) + (years of education of participant* X -1.06) – 2.18 [for specific verbal fluency measure used]

	Raw	Normative (Troyer, 2000)
Min	16	16.40
Max	72	73
Mean (SD)	39.81 (11.59)	29.87 (11.66)

These data place the current sample above the 50th percentile. Tombaugh's (1999) normative data, supports this percentile estimate.

*Unfortunately, years of education was not collected, so an estimate of 10 years was applied for every participant. The authors could not locate normative data for this specific measure that did not consider adjusted scores based on age only.

References

- Tombaugh, T. N., Kozak, J., & Rees, L. (1999). Normative data stratified by age and education for two measures of verbal fluency: FAS and animal naming. *Archives of Clinical Neuropsychology*, 14(2), 167-177.
- Troyer, A. K. (2000). Normative data for clustering and switching on verbal fluency tasks. *Journal of Clinical and Experimental Neuropsychology*, 22(3), 370-378.
- Wechsler D. (2008). *Wechsler adult intelligence scale—Fourth Edition (WAIS–IV)*. NCS Pearson.

Supplementary File 2 – Financial Decision-Making Behavior Task

Financial decision-making behavior, operationalised in the current study as the ability to select the most favourable hypothetical financial decision from four available options, was assessed using a measure created specifically as part of an ARC Linkage Project.

This measure consisting of two sets of 10 financial decision-making tasks (members of dyads were randomly assigned to each set i.e., within-dyadic variable), focuses on financial decision-making delegation in couples.

The tasks comprising this measure are those that Australian seniors are likely to face during everyday life, or in events where important decisions (e.g., investments) are made. Item difficulty increases monotonically, with respondents allowed to use a basic calculator and pen and paper for calculations.

Provided on the following pages are the tasks:

1 Instructions

Name: _____

Date: _____

Instructions

This is a set of 10 questions related to financial decision making. For each question please choose the most appropriate answer.

Some questions may require calculations, which is why you should have accessible

1. a basic calculator
2. a pen and paper

There are no time restrictions to complete this questionnaire. Some of the questions are very difficult. If you feel that you cannot solve a question, you can transfer it to your spouse at any time. The aim is to reach the highest number of correct answers in this questionnaire. It does not matter whether you give answers yourself or your spouse gives answers on your behalf.

Your spouse also has the option to transfer questions to you which you should complete after finishing this questionnaire.

1. A casual acquaintance asks you to guarantee a car loan for him. In return he offers \$50 every month until the loan is paid off. Should you decide to guarantee for him?

Possible answers:

- a. Yes - the lender uses you as a guarantor without legal obligations.
- b. Yes - you get \$50 without investing any own capital so the risk is almost nil.
- c. No - by giving that guarantee you are liable up to half the debt.
- d. No - by giving that guarantee you could be responsible for the entire amount.

2. Assume that you have a lot of savings and you want to buy a house. Which of the following will help you lower the cost of the mortgage?

Possible answers:

- a. Paying off the mortgage over a long period of time.
- b. Agreeing to pay the current rate of interest on the mortgage for as many years as possible.
- c. Making a larger down payment at the time of purchase.
- d. Making a smaller down payment at the time of purchase.

3. You receive an unexpected phone call from Tokyo offering a once in a lifetime opportunity to invest in offshore options trading, promising returns of more than 30%. You need to act quickly as there are only limited opportunities available.

What should you do?

Possible answers:

- a. Invest most of my money before I miss out.
- b. Hang up the phone immediately.
- c. Investigate further as such opportunities are rare.
- d. Invest only part of my money.

4. You receive a letter from your insurance company. You have to state how much equity you have in your home. Which of the following would you choose to find the value of your home equity?

Possible answers:

- a. Current home market value minus current mortgage balance
- b. Original cost of the home minus current mortgage balance
- c. Current mortgage balance times 1.25
- d. Original cost of the home times 1.25

5. Which account should you choose to make the most out of a 12 months investment if you are sure that you will not need that money during the investment period?

Possible answers:

- a. Account 1 - 1.25% per annum base rate + 1.45% per annum introductory fixed bonus rate for 5 months.
- b. Account 2 - 0.01% per annum base rate + 1.84% per annum for each month **that** you don't make **any** withdrawals.
- c. Account 3 - 2.50% per annum fixed term deposit for 12 months.
- d. Account 4 - 2.40% per annum fixed term deposit for 6 months (renewable).

6. You pay your electricity bill every quarter. These are your readings:

Quarter 3: 10453kWh

Quarter 4: 12369kWh.

Your current tariff charges 32.7c for the first 200kWh and then 9.8c per remaining kWh.

There are two new tariffs available:

Tariff A: supply charge of 47c per day and 10.4c per kWh

Tariff B: supply charge of 45c per day and 11c per kWh

Which plan would you go for?

Possible answers:

- a. Current tariff
- b. New tariff A
- c. New tariff B
- d. It does not matter as all three plans are the same

7. You have \$3,000 owing on your credit card at 16.5% interest. Your 'minimum payment due' in the first month is \$61 and your bank offers you to convert it to an unsecured personal loan with a 17% interest rate. Given your circumstances you can't afford to pay more than the \$61 per month.

Which option should you choose in order to save as much money as possible?

Possible answers:

- a. Transfer it to the suggested personal loan.
- b. Keep paying the \$61 **until** the debt is repaid.
- c. Keep paying the minimum payment due every month and invest the difference (\$61 - minimum payment every month) in a savings account to repay the debt when you have enough money in the savings account.
- d. Keep paying the minimum payment due every month and spend the rest **of the money** on other living expenses.

8. Assume that you have debts on your current credit card. You come across another card that offers substantially lower interest rates for the balance amount that you transfer from your old card for 6 months. New purchases, however, attract a higher interest rate than your old card offers.

What is the best strategy in paying down the debts?

Possible answers:

- a. Transferring all debts to the new card and closing down the old card account.
- b. Not taking the new card - steadily paying off the debts on the old card.
- c. Transferring all the debts to the new card, but making purchases with the old one only.
- d. Making purchases with the new card while steadily paying off the debts on the old card.

9. For your newborn grandchild you want to invest some money each year so that you can gift her \$30,000 on her 21st birthday.
How much money do you need to invest at the beginning of each year to get close to this goal assuming your investments earn a return of 3% per annum?

Possible answers:

- a. \$500
- b. \$700
- c. \$1,000
- d. \$1,200

10. You want to determine the cost of a mortgage loan. Which is the most important thing for you to look at?

Possible answers:

- a. Repayment period
- b. Comparison rate
- c. Interest rate
- d. Loan servicing fee

Thank you very much for your contribution.

1. You receive a phone call out of the blue from someone offering you 'the investment of a lifetime' that promises to double your money in 6 months. You say that you need a little time to think about it but you are told that there are limited opportunities and if you don't act now you will miss out.

What should you do?

Possible answers:

- a. Invest \$1,000 now and invest more once I see results.
- b. Invest \$10,000 now because an opportunity like this is too good to miss out.
- c. Besides investing all my savings, I also ask my friends to invest in this great opportunity.
- d. Refuse the offer because it sounds too good to be true.

2. You buy a couch for \$2,000 which comes with a 12 months interest free deal. To **get** this deal, you sign up for a new credit card with the store.

How will you use this card?

Possible answers:

- a. Use the card for purchases at the same store as they will probably also be interest free within the 12 months period.
- b. Use the card for all new purchases as a card that comes with an 'interest free deal' won't lead to high rates within the first year.
- c. Don't use the card to buy other goods - just pay off the \$2,000 within 12 months and close the account down.
- d. Pay off the \$2,000 and use the card after the 12 months period as usually the rates drop below the common interest rate after being paid off.

3. You can choose between 4 financial advisors. Which one will you choose?

Possible answers:

- a. One who has professional qualifications, appropriate experience and charges reasonable fees.
- b. One who appears to be very knowledgeable about the products he or she recommends.
- c. One who has a university degree and likes the way you want to invest.
- d. One who has a similar background as yours which might help to understand your needs.

4. You want to make an investment which is low risk. Which option should you definitely rule out?

Possible answers:

- a. Term deposit
- b. Shares
- c. Australian government bonds
- d. Savings account

5. If you decided to place \$50,000 under your bed now, what would it be worth in 20 years, taking inflation into account?

Possible answers:

- a. A bit more than the \$50,000 is currently worth.
- b. As much as the \$50,000 is currently worth.
- c. Less than the \$50,000 is currently worth.
- d. About twice as much as the \$50,000 is currently worth.

6. An investment newsletter compares the interest rate payable on subordinated notes issued by Company A to corporate bonds issued by Companies B and C.

Can you base your financial decision only on this comparison?

Possible answers:

- a. Yes, as long as Companies A, B and C have the same sort of business.
- b. Yes, as long as the subordinated notes and the bonds all mature at the same time.
- c. No, because the terms of the subordinated notes will be different to those of the corporate bonds.
- d. No, because Company A might profit more from my investment than Companies B and C do.

7. Your electricity provider offers 4 different tariff plans you can choose from. Assuming an average consumption of 15 kWh / day, which is the best choice you can make?

Possible answers:

a. **Copper**

- 22 c / kwh
- 140 c daily supply charge

b. **Silver**

- 25 c / kwh
- 128 c daily supply charge

c. **Gold**

- 27 c / kwh
- 100 c daily supply charge

d. **Platinum**

- 30 c / kwh
- 73 c daily supply charge

8. You want to make an investment which will provide you some income but you want to minimise the chance of losing any money. Which of the following products will you invest in?

Possible answers:

- a. Savings account
- b. Bank hybrids
- c. Secured notes
- d. Mortgage funds

9. You are planning to replace the lights in a house you bought to live in for the next 8 years. On average the lights are switched on 5 hours per day in every room for 300 days / year.

Assuming consistent conditions, what would be the best choice if you pay 25 cents per kWh?

Figures for average room:

Possible answers:

a.	Technology	Power Consumption	Average Lifetime	Replacement for Lamps of 1 Room
	Fluorescent Light	50 W/hour	10 years	\$9

b.	Technology	Power Consumption	Average Lifetime	Replacement for Lamps of 1 Room
	Halogen Globes	200 W/hour	2 years	\$9

c.	Technology	Power Consumption	Average Lifetime	Replacement for Lamps of 1 Room
	LED Tubes	40 W/hour	15 years	\$46

d.	Technology	Power Consumption	Average Lifetime	Replacement for Lamps of 1 Room
	High Pressure Discharge	200 W/hour	10 years	\$24

10. You have \$1,750 to invest for four years and you can choose between two different savings accounts. The interest earned will automatically be reinvested in the same account until the end of year 4.

Which account should you choose?

Possible answers:

- a. Account 1 - pays 3.7% per annum interest payable at the end of each year
- b. Account 2 - pays 3.4% per annum interest payable at the end of each quarter
- c. Does not make a difference
- d. Depends on the rate of inflation

Thank you very much for your contribution.