

# Centuria LifeGoals

Centuria LifeGoals is providing investors with the simple, flexible and tax efficient solution they need to grow their investments in the long term.

*Andy, 30, Entrepreneur*

**Meet Andy.** He's 30, lives in Perth and has just launched a business designing apps for larger companies. Andy is extremely excited about his new venture and money is already starting to come in, but he's wary about what comes next.

Andy realises he is going to become wealthier as his business takes off, but – after watching friends in similar situations having to pay high tax bills – he wants to protect his new found wealth while also growing it in the long term.

This is why Andy chose Centuria LifeGoals, the simple, flexible and tax efficient investment solution giving investors the control to grow wealth in the way they want.

## The Centuria LifeGoals solution

But what is Centuria LifeGoals? This innovative strategy makes use of the increasingly popular investment bond structure, which is essentially a combination of a managed fund and a life insurance policy, to give you a say in how you want to invest. The most exciting features of Centuria LifeGoals include:

- The investment bond structure has a 30% tax rate, and you can access your entire Centuria LifeGoals investment with no additional tax to pay if you hold it for 10 years (and meet the 125% rule).
- There's no initial investment amount limit when establishing your Centuria LifeGoals account (you can start from as little as \$500).
- After this, you can invest up to 125% of the previous year's contributions, allowing you to put away more money each year (if you exceed this, the 10 year period simply resets).
- Unlike superannuation, you have the freedom to withdraw money whenever you want, and if you do so before the 10 year mark the only tax to pay is the difference between the 30% tax paid and your own tax rate<sup>1</sup>.

Most importantly, your Centuria LifeGoals investment can be altered to reflect your financial situation as it evolves, while also delivering optimum tax efficiency. To show you how, let's go back to Andy's scenario.

1. In years 9 & 10 this difference is discounted by one-third and two-thirds respectively.

*Your Journey. Your LifeGoals.*

## Case study: How Centuria LifeGoals became Andy's bespoke solution

At 30 years old and after his first taste of success, Andy uses Centuria LifeGoals to grow profits from a huge business deal in a tax efficient way.

He takes \$25,000 and invests it in a Centuria LifeGoals account with a growth portfolio selected as his underlying investment. As his business continues to generate cash, Andy regularly tops up his Centuria LifeGoals investment with \$500 per month in the first year and increases this by 10% per annum, thereby meeting the 125% rule every year.

After 10 years, Andy has contributed a total of \$124,620 in investment and the value of his Centuria LifeGoals is now \$145,480 after tax and fees. As he has met the 125% rule throughout this investment period, Andy can now withdraw the entire sum without any tax to pay.

Importantly, Andy still had the option to withdraw money before the 10 year point was reached. If the investor withdraws money in year eight (or earlier), all of the earnings on the withdrawal are assessable when it comes to tax. However, for withdrawals in year nine only 2/3 of earnings are assessable and in year 10 only 1/3 of the earnings are assessable.

Andy has been able to fulfil his business dreams in a tax effective manner. For someone who made a lot of money developing and designing bespoke apps, the amount of flexibility and tax efficiency Centuria LifeGoals has given to Andy has been ideal!

# LIFT

## How could Centuria LifeGoals work for you?

Not your investor profile? You don't have to be like Andy to benefit from Centuria LifeGoals. Everyone's financial situation is different and Centuria LifeGoals is used for a wide range of financial goals.

To understand just how flexible Centuria LifeGoals can be, we've created an innovative new financial calculator (LIFT) to help you decide how to grow your investment by selecting LifeGoals investment options. By simply entering information about your current situation and your financial aspirations, the calculator instantly shows how Centuria LifeGoals could work for your own specific situation.

Visit:  
[centuria.com.au/lift](https://centuria.com.au/lift)

These scenarios have been produced purely to illustrate how Centuria LifeGoals can be used by different investor profiles and are all fictional.

Centuria's Investment Bonds offer a tax effective investment vehicle outside of superannuation. They have features that investors should consider if they wish to invest outside of superannuation. Suitability of an investment in a Centuria Investment Bond will depend on a person's circumstances, financial objectives and needs, none of which have been taken into consideration in this document. Prospective investors should obtain and read a copy of the Product Disclosure Statement (PDS) and consider the information in the PDS in light of their circumstances, objectives and needs before making a decision to invest. The information provided in this document is general in nature only and does not constitute personal financial advice. We recommend that prospective investors consult with their financial adviser. This document is not an offer to invest in any of Centuria's Investment Bonds. Investment in Centuria's Investment Bonds are subject to risk as detailed in the PDS. Centuria will receive fees in relation to an investment in its Investment Bonds. Issued by Centuria Life Limited ABN 79 087 649 054 AFSL 230867.

CA-CLL-11/02/20-001102