

Centuria LifeGoals is providing investors with the simple, flexible and tax efficient solution they need to invest for future generations.

Alana & John, 60s, Grandparents

Meet Alana and John Parker.

These Sydney-based recent retirees are the proud grandparents of Harvey, an energetic and trouble-making six year old who spends his days running around, pretending to be a dinosaur. While he plays without care, Alana & John would like to set aside something for his future.

Alana and John were both self-made entrepreneurs and appreciate the support young people need when they reach adolescence. They want to set aside some money for Harvey to take on one day, but they want to do so in a tax efficient way that will grow over time.

That's why they chose Centuria LifeGoals, which as well as being a simple, flexible and tax efficient investment solution, can also be extremely useful for passing wealth onto grandchildren (and children).

The Centuria LifeGoals solution

Centuria LifeGoals works for investors by using the increasingly popular investment bond structure which is essentially a mixture of a managed fund and a life insurance policy. 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 and 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 rate¹.
- You can easily transfer ownership of your account with no tax liabilities.

A Centuria LifeGoals investment gives you real flexibility so you can tax efficiently invest in a way that adapts to your financial situation as it evolves. And, because so many investors want to create future wealth for their kids and grandkids, we've specially created the Centuria LifeGoals Child Plan. To understand how this works, let's go back to the Parker'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 the Centuria LifeGoals Child Plan worked for the Parkers and Harvey.

First, Alana and John set up a Centuria LifeGoals Child Plan which is the same process as opening a regular Centuria LifeGoals account, except with an additional section in the investment application.

When setting up a Child Plan, the child it's intended for has to be below the age of 16 at the time of the application. Ownership will automatically transfer to them by the time they reach a 'vesting age' which is between 10 and 25 years old. The vesting age can be changed at any time and doesn't alter the original commencement date of the account.

Alana & John set up a Centuria LifeGoals Child Plan for Harvey at six years old with an initial investment of \$30,000 and contribute \$200 per month in the first year. They will increase the regular contribution by 25% per annum. Because they are investing for the long-term they chose to invest 50% in the Australian share option and 50% in the International share option. They're planning to gift Harvey the whole amount when he is 16 years old and set this as his vesting age.

When Harvey reaches his vesting age, the account automatically transfers to him. No tax is incurred by the transfer for either Harvey or his parents and by this point, following regular and increasing contributions (totaling \$293,248), the total value of the account is \$383,261 after tax and fees.

Centuria LifeGoals Child Plan will have allowed Harvey's grandparents to create a considerable sum on his behalf and easily transfer it to him. The responsibility of the money will then be his and at 16 we're sure he will be optimistic about the options now open to him (although to Alana and John he'll always be their little dinosaur).



How could Centuria LifeGoals work for you?

Not your investor profile? You don't have to be like Alana and John 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 investment calculator to help you decide how to grow your investment using specific LifeGoals asset classes. 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

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.

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