

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

Jessica, 38, Personal trainer

Meet Jessica. She's 38, lives in Sydney and works as a personal trainer. Like all Australians, part of Jessica's income is contributed into a superannuation fund for her retirement.

However, Jessica wants to have a greater say with her investments. Through a mixture of inheritance and bonuses from bringing in new clients, she has more money she would like to invest. Also, Jessica would ideally like to make the most of any investment earnings now, and not have to wait until retirement.

Unfortunately, like a lot of people, Jessica has maxed out her super contributions. Super is a great way to build up money for retirement, but has constraints and doesn't offer enough flexibility for investors who need it.

This is why Jessica chose Centuria LifeGoals, the simple, flexible and tax efficient investment solution giving investors the control they want. If like Jessica you have reached your super limits, LifeGoals could be a suitable option for you.

The super conundrum¹

Super is a great way to invest for retirement and benefits from government support. However, it does have constraints, including:

- The limit for contributions from your pre-tax income ('concessional contributions') in a financial year is \$27,500.
- The limit for contributions from your post-tax income ('non-concessional contributions') in a financial year is \$110,000.
- If you surpass the concessional contribution limit, you'll be taxed at the marginal rate of 15% plus an excess concessional contribution charge.
- If you surpass the non-concessional contribution limit, you could face an additional tax of 47%.
- There's a \$1.7m transfer balance cap on the total amount of super you can transfer into the pension phase.
- You can't access your super until you're at least 65.

It's important to be able to invest in a way that suits you and reflects your financial situation, but these limits mean super is unable to offer many investors the flexibility they need.

1. Source: Australian Tax Office as at 1 July 2021.

Your Journey. Your LifeGoals.

The Centuria LifeGoals solution

Fortunately, Centuria LifeGoals is giving investors a simple, flexible and tax efficient way to supplement your super. Centuria LifeGoals does this with the increasingly popular investment bond structure (essentially a mixture of a managed fund and 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 (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 rate².

A Centuria LifeGoals investment gives you the flexibility you need so you can invest in a way that suits you, adapting to your financial situation as it evolves. And in addition to this flexibility, Centuria LifeGoals is a tax efficient solution as well.

To show you how Centuria LifeGoals is already helping investors, let's go back to Jessica's scenario.

Case study: How Centuria LifeGoals got Jessica's investments in shape

Jessica, from a number of income sources, had an additional \$200,000 to invest but unfortunately had used up her super contributions. In addition, she wanted the flexibility to access her investment before retirement. Jessica creates flexible and effective workout plans for a living, and she wanted to have the same say with her investments. With a 10 year investment horizon in mind, Jessica chose to set up a Centuria LifeGoals account investing in the managed growth option to complement her existing super. She could afford to initially invest an additional \$500 per month in the first year and throughout the next ten years plans to continue investing while meeting the 125% rule.

This would mean that when Jessica reaches 48, she would have contributed \$399,517 and her Centuria LifeGoals investment would have grown to approximately \$513,769 (after tax and fees). As she had met the 125% rule throughout, she would be able to access the entire sum without any additional tax to pay.

With Centuria LifeGoals, Jessica will be able to invest in a way that suits her and can now enjoy her wealth without having to wait until retirement. Jessica champions fitness and wellbeing for a living, and now thanks to Centuria LifeGoals she feels stronger than ever.

LIFT

How could Centuria LifeGoals work for you?

Not your investor profile? You don't have to be like Jessica 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

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

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