

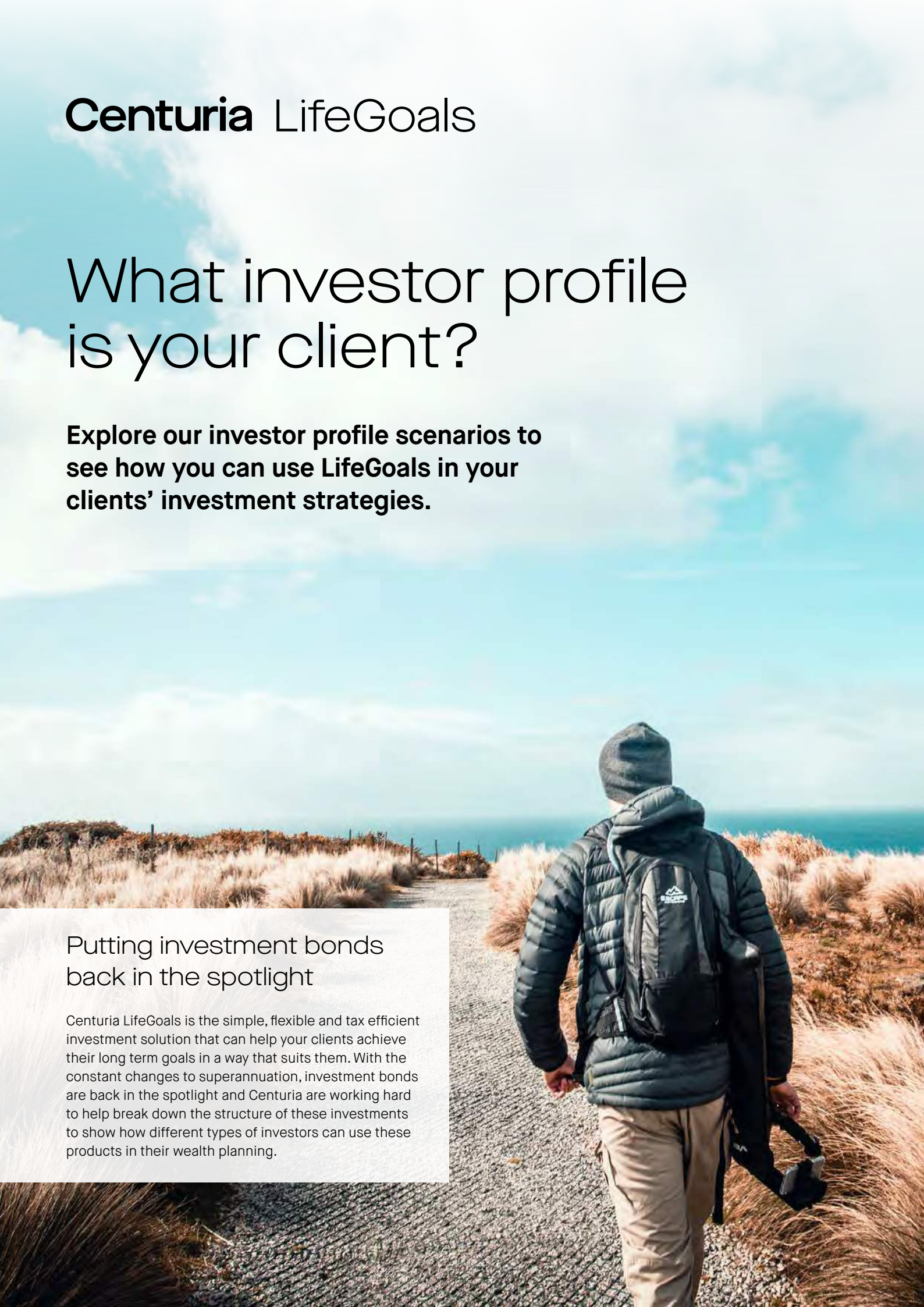
Centuria LifeGoals

What investor profile is your client?

Explore our investor profile scenarios to see how you can use LifeGoals in your clients' investment strategies.

Putting investment bonds back in the spotlight

Centuria LifeGoals is the simple, flexible and tax efficient investment solution that can help your clients achieve their long term goals in a way that suits them. With the constant changes to superannuation, investment bonds are back in the spotlight and Centuria are working hard to help break down the structure of these investments to show how different types of investors can use these products in their wealth planning.





Meet Sam. He's 30, lives in Sydney and works as an accountant in a medium sized accounting firm.

His salary has just gone over \$90,000, which means he is now paying tax at a rate of 32.5 cents¹ in the dollar for every extra dollar earned. With his career going well, he expects to be on the highest tax bracket paying in the next 5 years.

Sam is looking to invest to save for future costs such as a wedding, a family home and his children's education. These are preretirement financial goals which means superannuation isn't an option as it isn't accessible until he reaches 65 years of age. He is considering investing in a managed fund and his accountant friends are suggesting he invests in a family trust or a company structure to minimise his tax.

Tax brackets 2022-2023¹

TAXABLE INCOME	TAX ON THIS INCOME
0 - \$18,200	Nil
\$18,201-\$45,000	19c for each \$1 over \$18,200
\$45,001 - \$120,000	\$5,092 plus 32.5c for each \$1 over \$45,000
\$120,001 - \$180,000	\$29,467 plus 37c for each \$1 over \$120,000
\$180,001 and over	\$51,667 plus 45c for each \$1 over \$180,000

Sam understands that tax and fees can bite into your long term savings, minimising the total return. This is why he chose Centuria LifeGoals, the simple, flexible and tax efficient investment solution that gives him the control to grow wealth in the way he wants.



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. The most exciting features of Centuria LifeGoals include:

- The investment bond structure has a 30% tax rate less allowable deductions, 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.

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 Sam's scenario.

1. Source: Australian Tax Office as at May 2023.

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



Case study:

How Centuria LifeGoals became Sam's bespoke solution

At 30 years old and with potential ongoing salary increases, Sam would like to invest in a professionally managed diversified portfolio and will reinvest his earnings each year to further compound his returns.

Sam could look at a 'managed fund' solution, but will need to allow for income tax on any earnings at his marginal tax rate, which will grow with potential salary increases, and he will need to manage his annual tax returns.

Sam could also look to set up a family trust to invest into a managed fund. This way the trust can distribute earnings to various family members. Unfortunately, when this occurs the family members must then pay tax at their marginal tax rates which may or may not be effective for Sam at various stages of his life. For example, children under the age of 18 will pay a penalty rate for income not earned that includes distributions from trusts and companies.

A third option is to set up a company that Sam could put his money into and it invests on his behalf. The company will pay tax at 30% (like Centuria LifeGoals) but must pay distributions to shareholders such as Sam, and he will, again, have to pay tax on these earnings at his marginal rate. One major limitation with the family trust and a company structure is that capital gains will accrue in the structure and ultimately when they are paid out, the shareholders will be taxed. Company structures and family trusts can also be expensive to establish and maintain as they require financial accounts and annual tax returns.

Alternatively, by investing into a similar range of investment funds via Centuria LifeGoals, he won't need to include the earnings in his tax return as Centuria will pay tax on his behalf at 30% less allowable deductions. In this way, his earnings will be reinvested after paying a lower tax rate.

Another benefit of investing via Centuria LifeGoals is that Sam can manage his asset allocation actively by switching between investment options at no cost and without realising capital gains tax.

With an investment bond structure, after 10 years any withdrawals don't attract any personal income tax liability. Using the assignment capability, Sam can also transfer ownership of his investment at any time to someone who may be on a lower tax rate to withdraw the funds and receive the 30% tax rebate to offset their tax.

Should Sam still wish to invest via a family trust or company structure, that entity can itself invest into Centuria LifeGoals. Because Centuria LifeGoals does not distribute earnings, it is a simple and cost effective way to manage distributions from a family trust or company structure.

By choosing Centuria LifeGoals Sam has a simple, flexible and tax efficient structure to grow his wealth.

How could Centuria LifeGoals work for you?

Not your investor profile? You don't have to be like Sam 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 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/lifegoals



Meet Jessica. She's 38, lives in Sydney and works as a freelance journalist. 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.

A recent inheritance means, 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.

Jessica would like to keep the money she invests available to her in case of any emergencies or needs she may have before she retires. Although superannuation would be a great way to invest for her retirement, Jessica would like to maintain more flexibility with her investment.

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 would like a tax effective investment option that you can access before you retire, 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.
- There are restrictions to when you can access your super, please refer to the ATO website.

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 31 May 2023.



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 less allowable deductions, 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.

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 had an additional \$200,000 to invest but wanted a tax effective investment that had flexibility to access before retirement. 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 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 now feels more secure than ever, and now thanks to Centuria LifeGoals she feels stronger than ever.

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 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.

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

*Please refer to page 14 "Returns Calculation Assumptions" for the assumptions used in calculating the investment returns figure. The investment returns are illustrative in nature and should not be taken to provide an estimate of the amount of investment earnings you will receive. The actual returns may differ to the calculated returns. Centuria does not guarantee the performance of the financial product, the repayment of capital or any income or capital return.



Meet Laura. She's a 50 year old dentist living in Melbourne with her second husband, their two daughters and one stepson (her husband's son from a previous marriage).

Laura lives life to the fullest and when she isn't working, she's hiking, kayaking or surfing with her family. However, after reading about the challenges of estate planning, she's decided to be proactive.

As the owner of a successful business, Laura has considerable assets she'd like to divide among her loved ones, but at the same time, set up a structure that allows the assets to grow over time.

This is why Laura chose Centuria LifeGoals, the simple, flexible and tax efficient investment solution giving investors greater control in how they plan their estate planning.



The need for sound estate planning

If you don't properly plan out your estate, there could be real impacts for both your loved ones and the value of the inheritance. For instance, a lack of clear instructions could mean your estate is wrongly distributed with your intended beneficiaries missing out.

If your loved ones had to collate and source your assets, or even dispute their ownership, they may face high legal fees. This can also lead to lengthy delays and in some cases there may be tax implications as well. Fortunately, Centuria LifeGoals has been structured to give you a simple, flexible and tax efficient way to invest while also effectively arranging your estate for your loved ones.



The Centuria LifeGoals solution

But first, what is Centuria LifeGoals? Centuria LifeGoals is a kind of investment bond structure which is 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 and you can start from as little as \$500.
- With your LifeGoals investment you can nominate single or multiple beneficiaries who will receive the funds tax free if the investor passes away. These funds are paid outside of the estate and probate process.
- 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 you pay tax at your marginal rate on any earnings less a 30% tax rebate¹.

Your Centuria LifeGoals investment can also be used to help maximise your estate plans, protecting your loved ones from unintended stress and allocating your assets in the way you want. To show you how this works, let's go back to Laura's scenario.



Case study:

How Laura generated returns and security with Centuria LifeGoals

Investment bonds like Centuria LifeGoals are extremely useful for estate planning as the holder of the account can nominate anyone as their beneficiary in the event of their death. Investment bonds fall outside of an estate so aren't distributed according to a will or subject to intestacy laws (when no will is left and an estate has to be decided upon in the courts).

When Laura sets up her Centuria LifeGoals, she only wants her daughters to inherit this money. She and her husband have already decided that neither he nor his son need the money so she wants her estate to be quickly and securely passed onto her children. She invests an initial \$150,000 and contributes \$200 per month in the first year and chooses to automatically increase this by 5% per annum.

With Centuria LifeGoals, upon Laura's death the money would be paid to her beneficiaries (her daughters) with no tax to pay. Should Laura's circumstances change and she needs the money she can access it at anytime.

With Centuria LifeGoals, Laura is the owner and life insured of the policy. During her lifetime she can still invest and withdraw funds with flexibility and then automatically pass it onto her beneficiaries. If she had chosen to use another structure (such as a unit trust or term deposit), this would form part of her estate.

This way, Laura can enjoy the rest of her action-packed life safe in the knowledge that her estate is arranged and confirmed for her loved ones thanks to Centuria LifeGoals. After 15 years of investing in a managed growth option, her contributions would have amounted to \$201,789 and have generated a total value of \$327,528* after tax and fees – fortunately Laura is still fighting fit and able to leave the money where it is for her daughters to one day inherit.

How could Centuria LifeGoals work for you?

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

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Meet Alana and John Parker. These Sydney based recent retirees are the proud grandparents of Olivia, an energetic and troublemaking six year old who spends her days running around, pretending to be a dinosaur. While she plays without care, Alana and John would like to set aside something for her 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 Olivia to benefit from 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 children and grandchildren.



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 maximum 30% tax rate less allowable deductions, 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 you will pay tax on the earnings at your marginal tax rate less a 30% tax rebate¹.
- 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.



Case study:

How the Centuria LifeGoals Child Plan worked for the Parkers and Olivia.

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 the nominated vesting age which can be 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 and John set up a Centuria LifeGoals Child Plan for Olivia at six years old with an initial investment of \$10,000 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 Olivia the whole amount when she is 16 years old and set this as her vesting age.

When Olivia reaches her vesting age, the account automatically transfers to her. No tax is incurred by the transfer for either Olivia or her parents and by this point, following regular and increasing contributions (totaling \$89,806), the total value of the account is \$109,878* after tax and fees.

Centuria LifeGoals Child Plan will have allowed Olivia's grandparents to create a considerable sum on her behalf and easily transfer it to her. The responsibility of the money will then be hers and at 16 we're sure she will be optimistic about the options now open to her (although to Alana and John she'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 financial calculator 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.

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Meet Mark and Sue. They are a professional couple who live on the Gold Coast. Mark runs a successful business as a travel agent and Sue works in real estate.

They are both making their maximum pre-tax contribution to superannuation of \$27,500 per annum and are in the maximum 45%¹ tax bracket. As well as being busy raising two teenage kids, Mark and Sue work very long hours. They want to be in a position to wind down in their mid-fifties once the kids leave home and spend some time abroad while they are young enough to enjoy some adventure travelling.

Mark and Sue understand that superannuation will provide for them in retirement, but if they want to realise their dreams of exploring the globe they will need to plan ahead. With no more school fees to pay, Mark and Sue will be in a position to save more and want to do so in a more tax effective way than investing directly and paying tax at their high personal tax rates.

This is why Mark and Sue 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 maximum 30% tax rate less allowable deductions, 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 at your marginla rate on any earnings less a 30% tax rebate².

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 Mark and Sue's scenario.

1. Source: Australian Tax Office as at 31 May 2023.

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



Case study:

How Centuria LifeGoals became Mark and Sue's bespoke solution

At 45 years old Mark and Sue commenced a Centuria LifeGoals investment strategy. Having sold an investment property that was becoming time consuming and costly to manage they combined this with their savings to start their investment off with \$250,000. They began a regular contribution plan of \$1000 per month for the first year which increased by 10% per annum, investing in a growth option.

With the investment held jointly in both names, Mark and Sue nominated both children as beneficiaries of the bond. If something was to happen to them on their travels the funds would go directly to the children with no tax payable.

As Mark is a small business owner, some of his assets may not be protected from creditors, however the funds in the Centuria LifeGoals structure are protected. And unlike residential property there are no significant transaction fees involved.

After 10 years, Mark and Sue have contributed a total of \$441,249 and the value of their Centuria LifeGoals is now \$584,057* after tax and fees. As they have met the 125% rule throughout this investment period, they can now commence a regular withdrawal over the next 10 years. After tax this calculates to around \$5,728* per month but will still be accumulating during this time, amounting to a total of \$687,360*.

Importantly, they still had the option to withdraw money before the 10 year point was reached if their circumstances changed. 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 during the ninth year only 2/3 of earnings are assessable and during the tenth year only 1/3 of the earnings are assessable.

Mark and Sue will be able to fulfil their travel dreams in a tax effective manner. For a couple who have worked very hard for many years raising their children and building successful careers, the flexibility and tax efficiency Centuria LifeGoals can provide in addition to their superannuation contributions will provide them with the early retirement option they deserve.

How could Centuria LifeGoals work for you?

Not your investor profile? You don't have to be like Mark and Sue 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 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.

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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 over 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 maximum tax rate of 30% less allowable deductions, 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 you pay tax on any earnings at your marginal rate less a 30% tax rebate¹.

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.



Case study:

How Centuria LifeGoals became Andy's investment 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.

After 10 years, Andy has contributed a total of \$120,625 in investment and the value of his Centuria LifeGoals is now \$148,007* 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!

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 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.

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*Returns calculation assumptions

The investment returns are calculated using the Centuria LifeGoals Investment Forecaster Calculator ('Calculator'). The Calculator can be accessed on the Centuria website (www.centuria.com.au/investment-bonds/investment-forecaster-tool/).

Below are the assumptions used for calculating the investment returns.

Investor's marginal tax rate

A marginal tax rate of 47% of taxable income over \$180k (includes 2% Medicare levy surcharge)

Investment option

OPTION	GROWTH/DEFENSIVE SPLIT	
Cash enhanced	100% defensive	For each investment option which has a capital gain component (i.e. investment options which are not 100% defensive), it is assumed that 15% of capital gains are realised each year.
Fixed interest	100% defensive	
Balanced	50% growth, 50% defensive	Additionally, the 'Balanced', 'Growth' and 'Australian shares' investment options are assumed to have franking credits attached to the income return. The default assumption is that 14%, 22% and 75% of income returns of the respective 'Balanced', 'Growth' and 'Australian shares' investment options would be subject to franking credits.
Growth	70% growth, 30% defensive	
Australian shares	100% growth	
International shares	100% growth	For a chosen portfolio which contains multiple investment options, it is assumed that the portfolio would be rebalanced every year such that the proportions between each investment option remain constant throughout the life of the investment.
Property	100% growth	

Asset class returns

Total return = income return + capital return

Growth:

Total return:	5.60%
Income return:	3.16%
Growth return:	2.44%

Australian shares:

Total return:	6.90%
Income return:	3.49%
Growth return:	3.41%

International shares:

Total return:	2.30%
Income return:	2.30%
Growth return:	0.00%

Enhanced cash:

Total return:	6.60%
Income return:	2.57%
Growth return:	4.03%

Fixed interest:

Total return:	1.60%
Income return:	1.60%
Growth return:	0.00%

Property:

Total return:	6.40%
Income return:	5.83%
Growth return:	0.57%

The default assumed investment returns have been set based on simulations from Mercer's Capital Market Simulator and as a result are considered reasonable long-term estimates at the current date. The default returns are illustrative only and should not be taken to provide an estimate of the amount of investment earnings you will receive.

The rate of investment return is assumed to remain constant over the projection period.

If you have a short investment time horizon (for example less than 10 years) the assumed rates may not be appropriate.

Franking

Franking credits are a tax rebate to shareholders who receive dividends that have already occurred company tax.

Mercer Actuarial have estimated the average level of Franking in 'Balanced', 'Growth' and 'Australian shares' funds will be 14%, 22% and 75% respectively.

Please note, it is not expected that income received on Cash or Fixed income investment with not received any franked income.

Inflation (CPI)

The default rate of inflation set by ASIC is 2.5% based on the mid point of the Reserve Bank of Australia's target rate of inflation. The actual rate of inflation may differ significantly from 2.5% and financial outcome at the end of the selected period could be affected.

Fees and tax

Investment returns are calculated after fees and tax based on the investor's marginal tax rate which is assumed to be 47% of taxable income over \$180k for illustrative purposes.

Tax

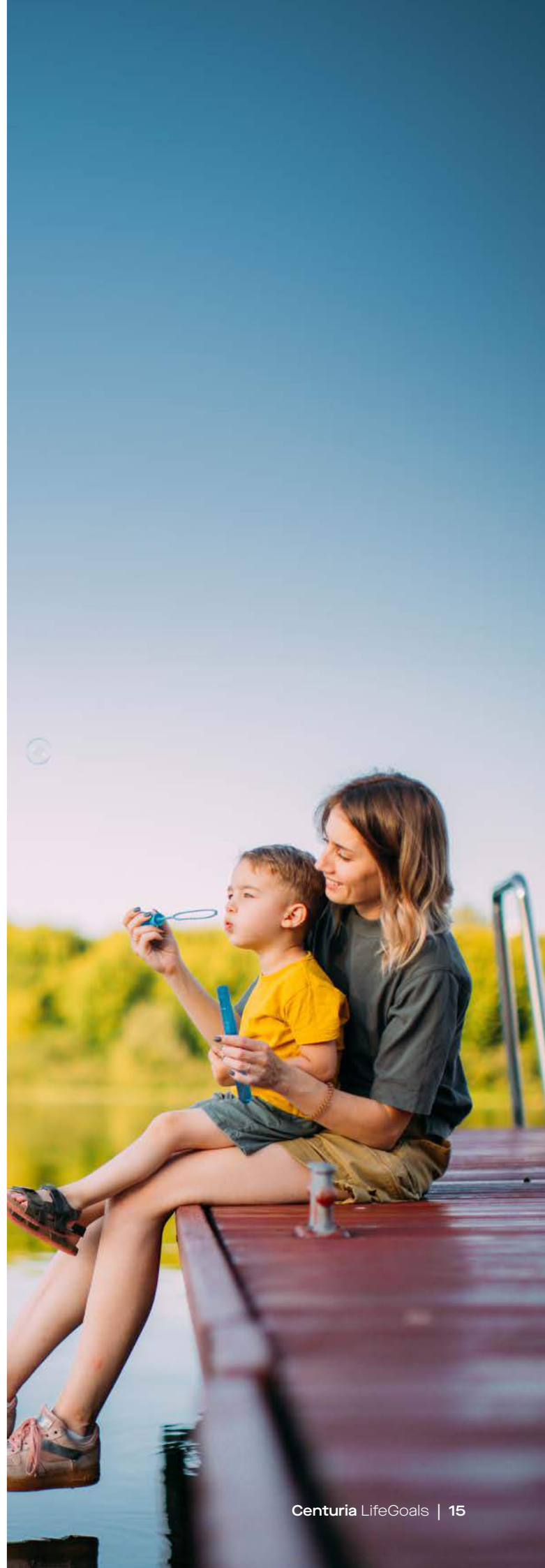
Unless otherwise stated the calculations are based on the Australian taxation legislation and rules at 1 July 2019. In particular, the Calculator allows for: All investment earnings in the investment bond (including realised capital gains) are taxed at 30%.

Investment income is taxed at the time it is earned, and capital gains are taxed at the time the gains are realised. The default assumption is that 15% of capital gains are realised each year -The Calculator allows for the impact of imputation credits.

Fees

The Calculator allows for total fees (including investment and administration fees) according to the default assumptions below. The Calculator deducts these amounts from the investment return shown prior to calculating earnings and tax for each year. The fees shown below are the gross fees, before allowance for any tax benefit.

The default fees have been determined by reference to the fees charged for "passive" investment options for each type of product, which is consistent with the approach used to determine the default returns. They have been reviewed by Centuria's actuary and are considered reasonable for use in the Calculator.



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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 before making an investment. 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. A copy of the current PDS for Centuria LifeGoals can be obtained free of charge on the Centuria website (centuria.com.au) or by calling us on 1300 50 50 50. A Target Market Determination has been issued for this product and can be found on Centuria's website at: centuria.com.au/DDO/

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