

Investment Bonds __

Flexible tax-effective investing for all life stages





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Additional documents

This document is the Product Disclosure Statement for Generation Life Investment Bonds. The Product Disclosure Statement also includes references to the following documents which contain statements and information incorporated by reference and which are taken to be included in the Product Disclosure Statement:

- Investment Options booklet
- Additional Information booklet

Any reference to 'the Product Disclosure Statement' includes a reference to all of those documents. Copies of these documents are available, free of charge, by visiting our website www.genlife.com.au, by contacting us or from your financial adviser.





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We understand that finding the right investment partner is important to you.

As the pioneer of Australia's first truly flexible investment bond, we have been at the forefront of providing innovative tax-effective investment solutions since 2004. As an innovation led business, we constantly strive to enhance our products and processes to optimise after-tax investment performance for our investors.

We are a leading specialist provider of tax optimised investment and estate planning solutions – with over \$2.8 billion invested with us to date.

Generation Life is a regulated life insurance company and our parent company is listed on the Australian Securities Exchange.

Our focus is to continue providing Australians with market-leading tax-effective investment solutions that provide a flexible investment alternative to meet both personal and financial goals. Our investment solutions are designed to help you grow your wealth, meet your day-to-day investment needs, and help you plan for your future needs including the transfer of wealth to the next generation.

Outthinking today.

An introduction to Generation Life Investment Bonds

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Tax-effective and flexible solutions that put you in control

Generation Life Investment Bonds help you meet the twists and turns of life and your long-term investment goals.

Generation Life's Investment Bonds are tax-effective investment solutions providing flexibility, simplicity, control and access at any time. Investment earnings are taxed at a maximum effective rate of 30%, rather than your personal marginal tax rate. Our investment bonds provide additional benefits to help securely manage the transfer of wealth to the next generation.



Who is an investment bond suitable for?

Generation Life Investment Bonds have been designed to suit the needs of a wide range of investors.

LifeBuilder	Wealth accumulators, tax payers with marginal tax rates over 30%, tax-effective estate planning, affluent individuals, and high net worth individuals	All earnings are taxed at a maximum rate of 30% within each investment option. The level of effective tax paid within each investment option will vary and the effective rate can be lower than 30%.		
	Looking for an alternative to or to complement superannuation	There are no limits on how much and when you can contribute. You can access your funds at any time.		
	Retirees looking to create a tax-effective income stream	There are no restrictions on when you can start your income stream – including if you are intending to retire early and access to superannuation is not yet available.		
	Need certainty with estate planning and distributing wealth	You can provide for future generations tax-free and with certainty and peace of mind with our EstatePlanner feature.		
	Looking to manage income levels in private trusts	While your trust remains invested in LifeBuilder there is no income for the trust to declare and distribute from its investment.		
	People looking to qualify for or improve Government benefits	Options to help manage or improve Government benefits and entitlements include using our Bonds Custodian Trust feature.		
ChildBuilder	Looking to invest in a child's future	A flexible and tax-effective way for families to provide for a child's future financial needs.		
FuneralBond	Save for funeral expenses	A tax-effective way to save for funeral expenses which may also help improve Government benefits and entitlements.		

Key features

Generation Life Investment Bonds provide flexible investment solutions to help meet your financial goals.

	LifeBuilder	ChildBuilder	FuneralBond
Taxed at an effective rate of up to 30%	✓	✓	✓
Nothing to declare on annual tax returns	✓	✓	
No tax file number required	✓	✓	
Access to a large range of investment options	✓	✓	✓
Access to the select range of Tax Aware managed investment options	✓	✓	
Switch between investment options fee free and with no personal tax consequences	✓	✓	✓
Ability to make additional contributions	✓	✓	✓
Dollar Cost Averaging investing	✓	/	✓
Dollar Gost Averaging investing	Minimum \$25,000 investment required.	Minimum \$25,000 investment required.	Minimum \$25,000 investment required.
Regular Savings Plan	✓	✓	✓
Automatically increase amount of regular savings annually	✓	√	_
Regular Withdrawal facility to set up an income stream	✓	/	_
	Monthly, quarterly, half- yearly or annual basis.	Monthly, quarterly, half- yearly or annual basis.	Withdrawals only available to fund funeral expenses.
Automatic portfolio re-balancing	✓	√	✓
Large account administration fee discounts	✓	✓	✓
	√	✓	√
Automatically transfer ownership of your investment at a future date or on your death without re-setting the 10-year tax period	Can nominate person or entity to transfer your investment to on a selected date or your death	Can nominate a child between 10 and 25 years of age to transfer your investment to on a selected age or date	Can be assigned to a funeral director as part of a pre-paid funeral arrangement

	LifeBuilder	ChildBuilder	FuneralBond
Control the access to your investment after automatic transfer of ownership	✓	✓	_
Nominate beneficiaries to pay benefits to	✓	_	_
Automatically re-allocate benefit payments between beneficiaries on the death of a beneficiary	Joint survivorship and down-the-line options	_	_
Can be used as security against a loan	✓	✓	_
Protection from creditors	✓	✓	✓
Invest online	✓	✓	√
Online access to view your investment	√	√	√
Nominate your financial adviser to act on your behalf	/	✓	✓

This is a high-level summary of the key features of Generation Life Investment Bonds, please refer to the relevant feature section of this document for further information.

Benefits of Generation Life Investment Bonds

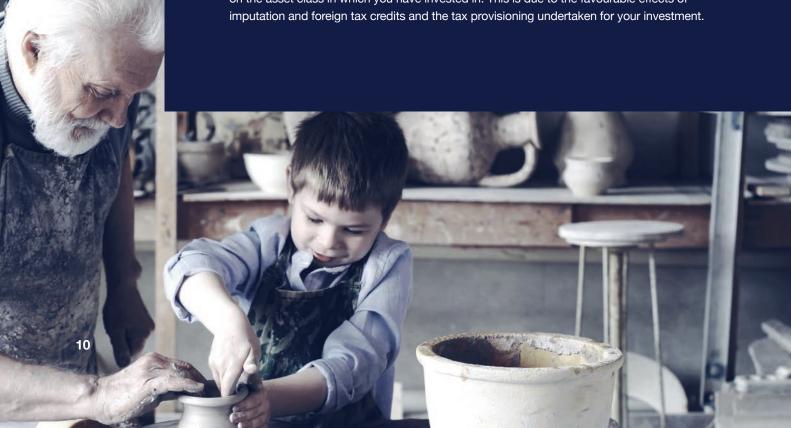
Tax-effective and flexible solutions that put you in control

Our investment solutions prepare you today to navigate the financial realities of tomorrow.

Tax benefits

Generation Life Investment Bonds are 'tax-paid' investments where tax on the investment bonds' earnings is paid by Generation Life at a maximum tax rate of 30%, rather than your personal marginal tax rate for the life of the investment bond. These earnings do not contribute to your personal income although a portion of the earnings may be taxable in some circumstances (refer to the 'Making a withdrawal' section on page 13).

From year to year, the actual tax paid by an investment bond can be less than 30%, depending on the asset class in which you have invested in. This is due to the favourable effects of imputation and foreign tax credits and the tax provisioning undertaken for your investment.



Our investment bonds are designed to provide tax-efficient investment outcomes for our investors with three levels of tax efficiency available.



The pinnacle of our tax aware investing process designed to maximise performance on an after-tax basis. The Tax Optimised level generates tax efficiencies by structuring the holding of the investment through direct ownership of the underlying assets (rather than through a pooled investment arrangement). This level of tax aware investing is designed to maximise after-tax return outcomes and optimise the full benefits of an investment bond's tax structure through the direct acquisition and sale of the underlying investments in a tax-efficient manner.



An enhanced tax-aware investment and trading approach that aims to improve after-tax returns. The Tax Enhanced level is designed to carefully manage how the underlying investments are bought and sold within a pooled investment arrangement where investments are held in underlying managed funds.



The foundation of our tax-effective investment approach, essential to maximising investment returns. The Tax Advantage level offers the core benefits of an investment bond's tax structure where ongoing earnings are taxed within the investment bond at a maximum tax rate of 30%. The investment bond's earnings are not included as part of your personal assessable income, irrespective of your marginal tax rate.

You can find out more about our tax management process and details about the tax management approach for each investment option on page 18.

After-tax investment outcomes

The returns from and performance of Generation Life Investment Bonds are provided on an after-tax basis, unlike other investments - such as managed funds, shares and term deposits - where the returns are generally taxable at your marginal tax rate. Over the long-term, the compounding effect of a lower tax rate on your earnings can be significant when compared to other direct investment options such as bank accounts, shares or managed funds where tax on earnings is paid by you directly.

Unlike other investments, such as managed funds, where a switch of investment options could result in a personal capital gains tax liability to you, switching between investment options within a Generation Life Investment Bond does not result in a personal capital gains tax liability to you. The capital gain forms part of the investment bond's earnings and is taxed within the investment bond at a maximum rate of 30%.

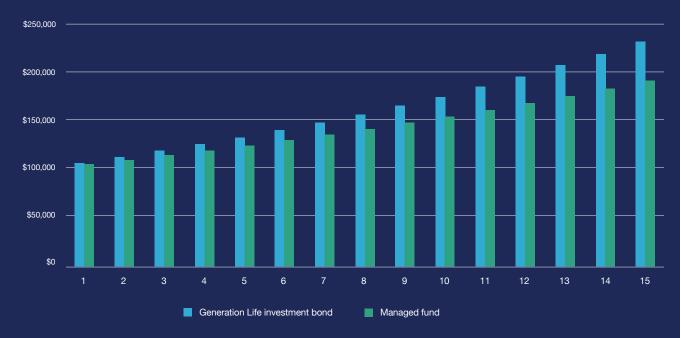
Simple tax reporting

There is no need to provide a tax file number ('TFN') and no annual tax reporting is required while you hold your investment. Furthermore, for both LifeBuilder and ChildBuilder, there is no tax reporting on a withdrawal provided you do not make the withdrawal within the first 10 years. After holding your investment for 10 years, earnings will not attract any personal tax liability - this is known as the '10-year advantage'.

Importantly, unlike superannuation, you have access to your investment at any time, including before 10 years. If you make a withdrawal before 10 years, some or all of your investment earnings (excluding your capital contributions) may need to be included in your personal income tax return.

For a FuneralBond investment, there may be tax reporting by your estate (or if the FuneralBond is assigned to a funeral director, by the funeral director) on the payment of a death benefit.

The following graph shows the difference over 15 years between investing directly in Australian shares through a managed fund versus investing in an investment bond with an initial investment amount of \$100,000, an annualised return of 6% p.a. after fees and costs but before tax, and an assumed investor marginal tax rate of 47% (including levies).



 $Investment\ returns\ are\ for\ illustrative\ purposes\ only\ and\ do\ not\ represent\ any\ actual\ or\ future\ performance\ expectations.$

Making a withdrawal

LifeBuilder and ChildBuilder

You can withdraw part or all of your LifeBuilder or ChildBuilder investment at any time. If you hold your investment for at least 10 years, there is no personal tax payable on withdrawals made after this time (the 10-year advantage). The 10-year period begins on the date you first establish your investment. The 10-year period start date can be reset in some circumstances (refer to 'The 125% opportunity' on page 15).

If you make a withdrawal (partial or full) within 10 years of your initial investment date, you will generally need to include a portion of the earnings generated by your LifeBuilder or ChildBuilder investment as part of your tax assessable earnings for that year. Importantly though, your capital contributions are not included as part of the earnings and are returned tax-free.

The amount of earnings included in a withdrawal that need to be counted as part of your tax assessable earnings, will depend on how long after your 10-year period starting date the withdrawal is made. The portion of earnings included in the withdrawal amount depends on the investment year of the withdrawal (see page 14).

There is however a compensating tax offset available (currently 30%), which you can use to offset any personal tax payable in the financial year that the assessable withdrawal is made. The tax offset is a fixed rate that does not vary, irrespective of the amount of tax paid within each investment option.

Applying the tax offset means you will only pay the difference between your personal marginal tax rate (if above 30%) and the 30% tax already paid by us on the earnings component of your assessable withdrawal amount. For example, if your marginal tax rate (including levies) is 47%, then you would pay 'top up' tax of 17% after using the 30% tax offset.

If your marginal tax rate is below 30%, then the offset can be used to reduce tax payable on other income you may have earned, including salary and wages. This means you will only pay the difference between your marginal tax rate (if above 30%) and the 30% tax already paid by us on the earnings. We will inform you of the earnings (if any) you are required to report in your tax return where a pre-10-year withdrawal is made.

If your investment bond benefit is paid to a beneficiary on the death of the nominated life insured, or if you decide to transfer ownership for no consideration, no additional tax will be incurred as a result (even if the payment or transfer occurred within the first 10 years).

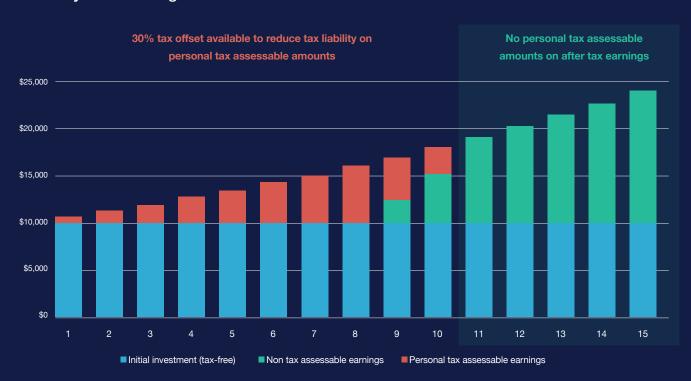
FuneralBond

A FuneralBond is designed to be used to meet your future funeral expenses. You cannot withdraw any money from your FuneralBond investment prior to your death. Refer to the 'FuneralBond' section on page 28 for further details on how benefit payments from a FuneralBond are taxed.

Assessable amounts for withdrawals within first 10 years



The 10-year advantage



Investment returns are for illustrative purposes only and do not represent any actual or future performance expectations.

The '125% opportunity'

LifeBuilder and ChildBuilder

Unlike superannuation where personal contribution amounts are capped and subject to penalty tax rates if exceeded, investment bonds give you much greater flexibility on how much you can contribute to your investment. Furthermore, there are no restrictions with either a LifeBuilder or ChildBuilder investment bond on the maximum amount you can hold, unlike superannuation where a total balance cap may limit your ability to make additional contributions.

With both a LifeBuilder and ChildBuilder investment bond. there are no limits on the amount you can invest in the first investment year, which starts on the day your investment bond is set up. Each subsequent investment year starts on the anniversary date of your investment bond's initial start date.

125% of the previous year's contributions can be made without re-setting the 10-year advantage period. These additional contributions benefit from being treated (for tax purposes) as if they were invested at the same time as your initial contribution. They do not have to be invested for the full 10 years to be included as part of the 10-year

FuneralBond

The 125% opportunity rule does not apply to a FuneralBond, and additional investments can be made at any time while the investment is held. However, FuneralBond contributions are limited to meet the reasonable costs of your funeral expenses (refer page 29 for further information).

Increase the level of contributions each year with the 125% opportunity

The example below is based on non-FuneralBond total contributions of \$10,000 in the first year and additional contributions each subsequent investment year of 125% of the previous investment year's contributions over a period of 15 years. The 125% opportunity can continue for the life of your investment and is not reset after 10 years.



Illustration of contribution levels to take advantage of the 125% opportunity which does not include any projection returns.

Example of the 125% opportunity

Initial contribution

Jenny started her LifeBuilder investment on 1 March 2023 (this is the initial start date) by investing \$10,000 and does not make any further contributions for the remainder of her investment year.

Making an additional investment

In her second investment year, Jenny starts a Regular Savings Plan and contributes \$5,000 in that year. Jenny could have contributed up to \$12,500 in that year (\$10,000 x 125%). She continues to make regular \$5,000 contributions each investment year.

Maximising the 125% opportunity

In June 2027 (investment year 5), Jenny wants to maximise her contributions for that investment year and invests an additional \$1,250 (on top of her regular savings amount of \$5,000). This means she has contributed \$6,250 for that investment year (\$5,000 x 125%).

Exceeding the 125% amount

In September 2030 (investment year 8), Jenny wants to make an additional contribution of \$5,000 (on top of her regular savings amount of \$5,000). The total contribution for that investment year would be \$10,000. However, the maximum investment amount she could make in that investment year to take advantage of the 125% opportunity would be \$6,250 (\$5,000 x 125%).

Because the contribution of \$10,000 (200% of the previous year's contribution) exceeded her 125% opportunity amount of \$6,250, her 10-year advantage period investment start date is reset to 1 March 2030 – the investment anniversary start date in the year the excess contribution was made.

It is important to remember that if you do not make an additional contribution in a particular investment year, then making an additional contribution in any subsequent investment year will restart the 10-year advantage period. Furthermore, if your contributions in an investment year exceed 125% of the previous investment year's contributions, your 10-year advantage period will restart. The investment date is reset to the anniversary date of the investment year that the contributions exceeded 125% of the previous year's contributions.

If you want to make additional contributions but do not want to reset the 10-year advantage period on your investment, you could instead start a new investment bond. Alternatively, setting up an investment bond with a Regular Savings Plan and automatically increasing the regular savings amounts each year would provide a simple and effective way to automatically take advantage of the 125% opportunity (see page 42).

Easy access with the ability to set up a regular income stream

LifeBuilder and ChildBuilder investment bonds give you complete access and flexibility, and you can access your investment at any time.

Unlike superannuation where restrictions apply to accessing funds before retirement, your funds are not locked away until retirement. You have access to your funds regardless of your age and you decide when to access your investment, with no maximum limit on how much you can take out. This is ideal if you are looking to fund early retirement, meet an unexpected expense or make a major purchase. You can even set up a regular income stream arrangement with our Regular Withdrawal facility if you want to regularly access funds (see page 44).

Furthermore, you have the flexibility to transfer your LifeBuilder investment to another person as a gift, normally without personal tax or capital gains tax implications, while a ChildBuilder investment bond has been designed to be automatically transferred to a child at an age you nominate (see page 26).

Control: Estate planning and transferring wealth

LifeBuilder and ChildBuilder investment bonds are efficient and cost-effective ways of providing for your family and transferring your wealth. Any benefits paid or transferred to the recipients are received tax-free, irrespective of how long you have held the investment bond.

You control how your wealth is transferred. Using an investment bond in conjunction with, or as an alternative to, a will or a testamentary trust allows you to bypass the delays and uncertainties sometimes associated with administering or winding up an estate.

LifeBuilder's EstatePlanner feature also provides a simple and convenient way to transfer your wealth with certainty and to avoid the complexities that can be associated with using a will or testamentary trust, or where there are complex family arrangements to deal with (see page 34).

ChildBuilder has been specifically designed to help provide for a child's future financial needs, giving you the flexibility to transfer ownership easily and automatically (see page 26).

Borrow against

Both LifeBuilder and ChildBuilder can be used as security against a loan. If your loan is used to generate income, interest and other loan-related costs may be tax deductible. You should seek your own tax advice if you are considering using an investment bond as security against a loan.

Protection from creditors

Similar to superannuation, if you own a LifeBuilder or FuneralBond as an individual and you or your spouse (including de facto spouse) are nominated as a life insured, you will receive protection from creditors in the case of bankruptcy (provided your intention was not to defeat creditors). This protection applies to the investment bond itself as well as any proceeds from the investment bond received on or after the date of bankruptcy.

In the event of the bankruptcy of a ChildBuilder account owner, the receiver or trustee must hold the investment on trust (on behalf of the child).

You should seek independent legal advice to determine if this applies to your circumstances.

Peace of mind: Funeral expenses

The Generation Life FuneralBond is a special type of investment bond specifically designed to pay for future funeral expenses. You have the flexibility of holding the investment in your name or transferring the investment to your chosen funeral director as part of a prepaid funeral arrangement.

Special rules apply to the FuneralBond to ensure the benefit paid is for funeral expenses only. The FuneralBond can also provide valuable social security benefits depending on your individual circumstances (see page 28).



Tax-aware investing

Investment returns go up when taxes go down. It is that simple.

Tax can be one of the biggest costs associated with any investment.

Did you know that in the long-term, almost 40% of an Australian share portfolio's return can be reduced by the cost of tax for an investor on a marginal tax rate of 47% (including the Medicare levy)? The compounding effect of this can be significant over time.

Disregarding or not being aware of the effects of tax can have a significant impact on your after-tax investment returns.

Generation Life offers a large range of investment options to choose from, each with varying levels of tax-efficiency based on the composition of the underlying investment assets held by the investment option as well as how they are held and managed.

In addition to the normal Tax Advantage benefit of earnings being taxed at a rate of up to 30%, compared to the highest marginal tax rate of 47% (including the Medicare levy), Generation Life's investment process has been specifically designed to further reduce the impact of tax on your returns with the objective of improving performance.

Tax Enhanced investment series

The Tax Enhanced series of investment options are designed to further reduce the impact of tax on returns through the management of how and when assets held by an investment option are bought and sold. This series of investment options offers an enhanced tax aware investment approach that aims to deliver higher after-tax returns. Generation Life's processes aim to efficiently manage the tax event of the underlying investments, with the objective of improving your after-tax return outcome.

You can find out more about our Tax Enhanced series of investment options in the 'Tax Benefits' section on page 11.

Tax Optimised investment series

For a select number of investment options, Generation Life further enhances the tax-effectiveness of these investment by holding the underlying assets of each of the investment options directly, rather than through a managed fund or similar pooled investment arrangement. The investments are managed by each investment manager through a mandate arrangement.

You can find out more about our Tax Optimised series of investment options in the 'Tax Benefits' section on page 11.

What is a mandate?

A mandate is an agreement with an investment manager that sets out how the money is to be invested. The mandate may specify an appropriate benchmark, acceptable investments and investment ranges.

A mandate structure means that the investments are managed separately on our behalf and are not pooled with the external investment manager's other investors or invested in one of the investment manager's wholesale investment schemes. Therefore, the performance of a mandate may differ from the underlying investment manager's wholesale investment scheme. However, using mandates gives us greater flexibility, including better management of tax outcomes.

This provides us with an added level of control over the tax management of the investment option, with the aim of delivering even better after-tax outcomes. This is the most comprehensive tax-aware investment process and approach to maximising investor returns. Tax Optimised investment options seek to maximise your after-tax returns and leverage the full features of an investment bond's tax structure.

Importantly, our process does not seek to alter or direct the investment decisions of the selected investment managers, but rather manages the way that investments are bought and sold in a tax-efficient manner.

Expected long-term tax outcomes

The level of additional tax-efficiency that can be generated for an investment option will be determined by the type of underlying assets held by the investment option.

Generally, the higher the level of capital growth that an investment option is expected to deliver, the greater the potential to generate a more tax-efficient investment outcome. Conversely, the more defensive or income focused an investment option is, the lower the potential to provide additional tax efficiency beyond the 30% tax rate on the investment option's earnings.

The tax efficiency level will vary between investment options and will be subject to the investment composition, investment trading activity and the tax components of an investment option's earnings.

Generally, growth-style assets (such as shares) have the potential to deliver a more tax-efficient outcome; however, this should not be the sole determinant of the suitability of an investment option or asset class. It is recommended that you also consider both the relative risk and returns expectation over the selected investment period and the suitability of an investment option relative to your own circumstances and investment objectives.

A simple alternative to complement your superannuation

Flexibility to accumulate wealth and save for retirement without the complexities.

The superannuation system can provide a tax-effective way of saving for retirement. However, because of these benefits, superannuation has restrictions, conditions and limitations that may or may not meet your financial needs. Superannuation can also be complex with many rules that can change over time.

LifeBuilder provides a flexible and complementary investment solution to accumulate wealth for retirement and beyond without the complexities of superannuation.



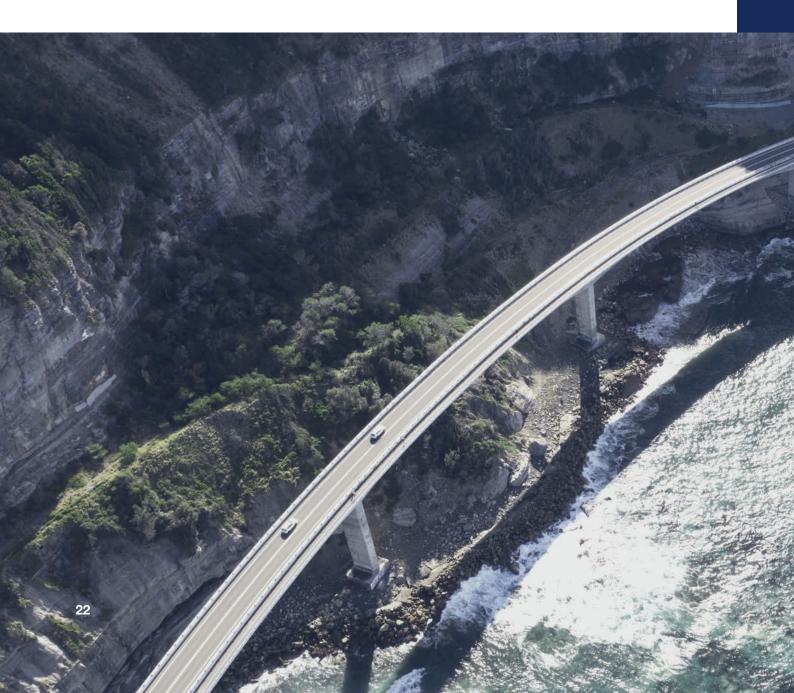
How does LifeBuilder compare to superannuation?

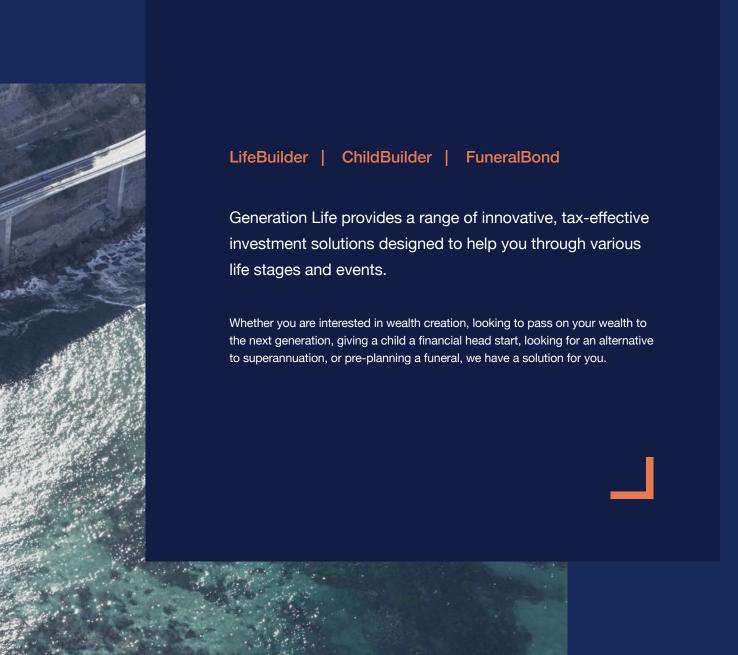
		LifeBuilder		Superannuation
Tax rate	✓	Maximum of 30%; the amount of tax paid will vary between investment options.	√	Maximum of 15% for a complying fund.
Access to funds	✓	Available at any time.	×	Generally, it cannot be accessed before preservation age (up to age 60 where eligible) or retirement age.
Ability to transfer ownership	/	Yes, with no capital gains tax or stamp duty payable on transfers.	×	No, it is not possible to transfer ownership in full.
Contributions tax	✓	None; however, no tax concessions on contributions are available.	✓	Tax concessions on contributions are available up to certain limits. A 15% tax on concessional contributions applies (30% for higher income earners). Not applicable to nonconcessional contributions.
Limits on contribution amounts and investment value	✓	No limit on first year contributions. Limit of 125% of the previous year's total contributions if taking advantage of the 125% opportunity. No limit on the value of investment.	×	Current annual cap of \$27,500 for concessional contributions and \$110,000 for non-concessional contributions (where the total superannuation balance cap is not exceeded). Penalty tax may apply if caps are exceeded. Lifetime transfer limit of \$1.7 million (indexed annually) on transfers to retirement-phase accounts. Penalty tax applies if transfer balance caps are exceeded. No limit on accumulation-phase account balances.
Tax reporting	✓	Not required unless making an assessable withdrawal within the 10-year period.	×	Yes, if the tax-free thresholds are exceeded.
Investing	/	A large range of investment options.	√	A large range of investment options, depending on the specific superannuation fund.
Estate planning	✓	Flexible options to pass on wealth to dependants, non-dependants and entities.	×	Limited to dependent beneficiaries and may be subject to trustee discretion. Additional tax may be payable if death benefits are paid to certain non-dependant beneficiaries.
Tax on death	✓	No tax payable on death or payment of death benefits, including adult beneficiaries (even if held for less than 10 years).	×	Death benefit payments may be subject to additional tax for non-dependant beneficiaries.
Used as security against a loan	/	Yes, it can be used as security for a loan.	×	No, it cannot be encumbered and can only be used for retirement savings.

The above table provides a general summary comparison between LifeBuilder and a superannuation account as of the date of this document.

Our investment bond range

Generation Life's tax-effective investments can provide investment solutions for all life stages.





LifeBuilder

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Putting you in control

Even with life's twists and turns, you're always in control of your investment.

LifeBuilder caters for a wide range of investment needs and life stages. With an extensive range of investment options to choose from, you have the flexibility to switch between options at any time with no personal tax implications. You can also add to your investment regularly and have your investment mix automatically rebalanced to reflect your preferred investment allocation.



Tax benefits

LifeBuilder is taxed at a maximum rate of 30% on its earnings. The level of tax payable by each investment option will vary and may be lower (refer to the 'Tax Aware Investing' section on page 18 and each individual investment option detailed in the Investment Options booklet). Importantly, any earnings generated by an investment option do not contribute to your personal income.

Provided you hold your entire investment for at least 10 years, you pay no additional tax on your investment's earnings, and you will not have to declare any income in your annual tax return. This can also potentially minimise the impact of additional personal tax due to Government levies and surcharges. Furthermore, if the investor is a trust (for example a private, family or discretionary trust), there will be no income for the investing trust to distribute.

No tax reporting is required if you do not make a withdrawal within the 10-year advantage period. This means there is no need to maintain the tax and investment records normally associated with investing directly in other investments, such as shares or managed funds.

No distributions

All earnings generated by a LifeBuilder investment bond are retained within the investment bond and are not distributed (unlike other investments, such as managed funds). This means that earnings on your investment are not required to be included in your annual tax return if you hold your investment for the 10-year advantage period.

Not distributing investment earnings until you need them, means that using a LifeBuilder investment bond does not increase your ongoing taxable income. Additionally, it can help you qualify for Government benefits, such as the Commonwealth Seniors Health Card and Family Tax Benefits, which are assessed on your taxable income. When combined with our Bonds Custodian Trust facility (see page 43), LifeBuilder may also help manage incometested age pension entitlements and reduce aged care resident fees.

Estate planning

LifeBuilder is a simple, cost-effective solution that provides greater control over how you pass your investment on to the right people, at the right time. LifeBuilder's EstatePlanner feature can help with both transferring your wealth in a will-like fashion and managing complex family arrangements. With EstatePlanner, you can also provide for non-family members and charities.

EstatePlanner provides certainty and control over how your wealth will be passed on. For example, you can use the Future Event Transfer feature to arrange for someone else to continue holding your investment. This feature gives you the control to arrange the automatic transfer of your investment at a future set date or on your death. Importantly, the investment's tax status will be preserved for the future recipient as the 10-year advantage period is not reset.

For extra peace of mind, you can also control when the recipient can make withdrawals. Alternatively, you can limit the amount an individual can access each year by setting a regular fixed payment amount for them to receive. Alternatively, you can nominate beneficiaries (which can include individuals, companies, trusts and charities) to receive the proceeds of your investment on the death of the nominated life insured.

You can find out more about the features of EstatePlanner on page 34.

ChildBuilder



Looking after the next generation

If you are looking to help secure the financial needs of a child, it is essential that you consider the best option to do so. While this may typically involve a long-term investment approach, it is important to ensure that whatever option you choose, your long-term goals are achieved.

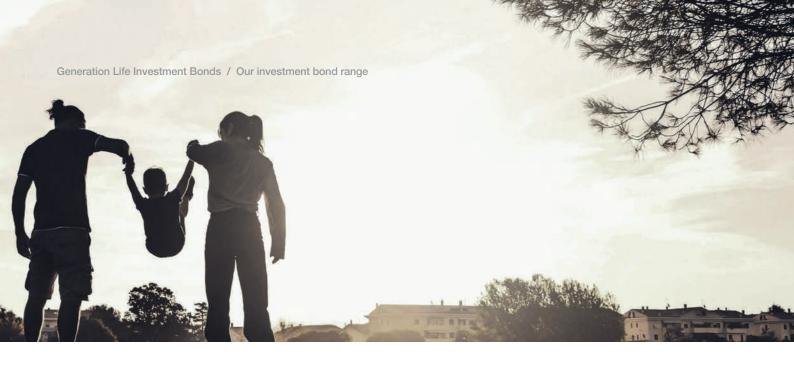
ChildBuilder is specifically designed for anyone (parents, grandparents, family and friends) wanting to establish a tax-effective investment for a child's future financial needs and goals. It is simple, cost- effective and can create inheritances for children and facilitate the transfer of wealth between generations without the uncertainties and complexities of a will.

ChildBuilder is a flexible and tax-effective alternative to other types of investments, such as cash and term deposits and managed funds, that helps meet a child's future financial needs. With the cost of living continually increasing, education costs increasing and housing costs increasing in the long-term, ChildBuilder lets you save tax-effectively to help meet these costs.

ChildBuilder is particularly suited to parents or grandparents who want to ensure that their wishes will be met and that their wealth will be passed onto a child or grandchild. ChildBuilder operates with the same tax benefits as LifeBuilder.

You can set up a ChildBuilder for anyone under 16 years of age and vest (transfer) ownership to them when they reach a specified age (between 10 and 25 years old). The vesting is automatic and with no personal tax consequence, stamp duty or additional fees or charges.

When vested, the investment converts to a LifeBuilder with the benefit of the 10-year tax advantage period not resetting. If the ChildBuilder is transferred to a child between the ages of 10 and under 16, a parent's or guardian's consent is required to transact on the investment.



Specify an intended purpose

You can also specify a non-binding intended purpose for the use of ChildBuilder once the investment has vested to a child. These can be noted on your investment confirmation and may include objectives or goals such as:

- a first home deposit
- · education or study expenses
- · funding living-away-from-home expenses
- · a first car
- · wedding expenses
- · overseas travel

There is no restriction on the type of intended purpose you can specify.

What happens if you or the child pass away before transfer?

If you pass away before the child reaches the nominated vesting age, your estate representative must hold the investment on trust (on behalf of the child). Alternatively, to provide more certainty regarding who will look after your account after your death but before your nominated child's vesting age is attained, an Account Guardian can be appointed to own and administer your investment for the benefit of the child (refer to the 'Account Guardian' section below for further information.

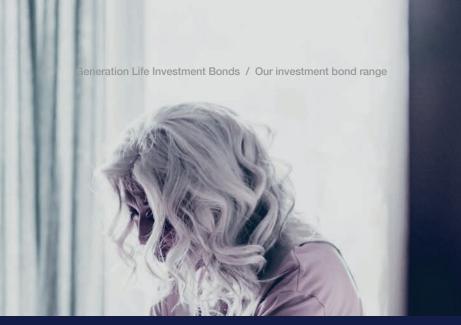
If the child passes away before reaching the vesting date, the ChildBuilder does not form part of the child's estate - you (or your estate) will receive the proceeds of the investment tax-free. If the ChildBuilder is held by an Account Guardian (refer below on setting up an Account Guardian), proceeds will be paid to your estate and not the Account Guardian.

Account Guardian

If you pass away before the child reaches the nominated vesting age, your investment would normally be transferred to your estate representative to be held on trust (on behalf of the child). To provide more certainty regarding who will look after your account after your death but before your nominated child's vesting age is attained, an Account Guardian can instead be appointed to hold and administer your investment for the benefit of the child after your passing.

An Account Guardian can operate separately to - and is not subject to the terms of any will or a power of attorney you may have. You can nominate up to two individuals aged 18 years or over to act as an Account Guardian. Where two individual Account Guardians are nominated, they may act jointly or severally.

Please refer to page 44 for further information regarding setting up an Account Guardian and page 57 for how any tax assessable income on withdrawals will be allocated where an Account Guardian is nominated.





FuneralBond



Providing peace of mind

Planning for the cost of your funeral is like planning for other life events (such as retirement) or preparing for life's unpredictability (such as fires, illness and accidents).

Saving for your funeral expenses is a practical and thoughtful gesture that can ease unnecessary financial stress on those left behind during their time of grief.

Like other investment bonds, FuneralBond's earnings are taxed at a maximum rate of 30%. FuneralBond can be used to tax-effectively save and pay for funeral expenses. You are not required to report any investment returns in your personal tax return each year. Furthermore, it is exempt (up to certain limits) from the social security assets test and deeming provisions for the income test that apply to the age pension, the service pension and any other means-tested Government entitlements.

You can also choose how your savings will be invested, with access to a broad range of investment options.

If you have entered or are considering entering into a prepaid funeral arrangement with a funeral director, you can transfer ownership of the FuneralBond to them as part of that arrangement. It is important to note that if you transfer ownership, the funeral director becomes the legal owner of the FuneralBond. Please refer to the 'Transferring your investment' section on page 45 for more information.

How much can I invest?

You can invest as much as you need to meet the reasonable costs of your funeral expenses, however there are some limitations.

For age and service pension purposes, if you do not enter into a prepaid funeral contract, your total contribution amount cannot exceed the allowable limit amount which is currently \$14,000 per person (as of 1 July 2022) and is indexed annually each July.

If you invest more than the allowable limit, the entire investment amount will be assessed under the social security deeming rules and will also be considered an assessable asset for the purpose of the assets test (refer to the 'Tax and social security' section on page 57 for more information on social security benefits).

There are no limits on the amount that you can contribute into your FuneralBond if you have entered into a prepaid funeral arrangement with a funeral director and transfer the FuneralBond to the funeral director.

We recommend that you consult with your financial adviser or contact Centrelink or the Department of Veterans' Affairs for further information about social security benefits. The estate's legal representative will receive a statement showing the assessable amount to assist them in completing the estate's tax return.

If you have transferred ownership of your FuneralBond investment to a funeral director (as part of a prepaid funeral arrangement), the benefit will be paid directly to them with the final benefit value assessable in the hands of the funeral director.

The final benefit value of the FuneralBond death claim payout may include an additional amount (in addition to the end value of the investment). This additional amount comes about because Generation Life is entitled to claim a tax benefit for the investment income component of a funeral benefit when paid.

The value of the recovery of any tax paid by Generation Life (by claiming the tax benefit) will be included in the final funeral benefit payment. The payment of the additional amount is subject to Generation Life's ability to claim a tax benefit.

Payment of benefits

You cannot withdraw any money from your FuneralBond prior to your death, as it is designed to be used to meet your future funeral expenses. Refer to the 'Withdrawals' section on page 44 for further details.

If the FuneralBond is not transferred to a funeral director, the final benefit value will be paid to the owner's estate or if directed by the estate, to the funeral director. The FuneralBond's earnings component (being the difference between the final benefit value and the total contributions) will then be assessable income in the hands of your estate at the estate's marginal tax rate, but only in the year of payment.

Investment snapshot



Our investment bonds deliver flexibility, control and simplicity

Tax-effective investing	Tax on investment earnings is paid by Generation Life at a maximum tax rate of 30%, irrespective of your personal marginal tax rate.	See page 11
	Option to select from one of our three Tax Aware levels of investment options: Tax Advantage series, Tax Enhanced series, or the Tax Optimised series.	
Simplicity	No need to report investment earnings in annual tax returns or maintain ongoing tax records and no requirement to provide a tax file number.	See page 12
Investment options	A broad range of investment options, covering a range of risk profiles and asset classes, as well as diversified investment options, responsible investing options and low-cost indexed investment options.	See page 47
Investment switching	Switch between investment options at any time (subject to a minimum amount of \$50 per investment option) without incurring personal income or capital gains tax.	See page 42
Making contributions	Start an investment with as little as \$1,000. Contributions made in the first year of investment are uncapped, while subsequent contributions are subject to the 125% opportunity. Additional investments of at least \$500 can be made unless using the Regular Savings Plan where a lower minimum applies (see below).	See page 40
	FuneralBond investors should consider limits relating to social security exemptions.	
Dollar Cost Averaging	For investments greater than \$25,000 you can apply a dollar cost averaging approach to investing on a monthly basis into your preferred investment options to help manage investment risk. Your investment will be progressively switched into the selected investment strategy over the selected number of payments.	See page 41
Regular Savings Plan	Flexibility to make monthly, quarterly, half-yearly or annual contributions.	See page 42
	The minimum regular contribution is \$50 per month and your regular contribution amount can be increased by up to 25% each year with an automatic escalation feature available for LifeBuilder and ChildBuilder accounts.	
Access to funds and making regular withdrawals	Access your LifeBuilder or ChildBuilder investment at any time with a one-off withdrawal request or by using the Regular Withdrawal facility to make regular withdrawals on a monthly, quarterly, half-yearly or annual basis.	See page 44
	Access to FuneralBond funds is only available for the payment of funeral expenses.	

Ownership flexibility	For LifeBuilder, investors can be:	See page 32
	 individuals or joint individuals (aged 10 years and over) companies or trusts (including deceased estates) 	
	For ChildBuilder, investors can be:	
	individuals or joint individuals (aged 16 years and over)trusts (including deceased estates)	
	For FuneralBond, individual or joint individual ownership options are available.	
Automatic portfolio rebalancing	Convenience of electing to have your investment's portfolio automatically rebalanced annually in line with your investment bond's Default Investment Allocation.	See page 43
Looking after the next generation	LifeBuilder's EstatePlanner feature is a simple and effective way of passing on wealth to the next generation, without the potential complications of wills, trusts and estates.	See pages 26 and 34
	With the Future Event Transfer feature, you can also select a future date or event (such as your passing) where your LifeBuilder investment ownership transfers to someone else nominated by you and still maintain the investment's valuable tax status. There are also options to provide a future Regular Income Payment to the intended recipient, as well as to appoint an Account Guardian to hold and administer your investment in the event of your passing where your intended recipient has not reached 16 years of age.	
	Alternatively, multiple beneficiaries can be nominated to receive your investment bond's investment proceeds on the passing of the nominated life insured.	
	ChildBuilder also provides a convenient way to secure a child's future financial needs with the ability to transfer control of your investment to a child in the future and provide for an Account Guardian to hold and administer your investment in the event of your passing where your nominated child has not reached vesting age.	
Fee discounts	Administration fee discounts on investments established under this Product Disclosure Statement are based on the value of your investment.	See page 53
Investing online	You can start your online application at www.genlife.com.au/invest	See page 40
Online access	You can easily track your investment portfolio and download reports by accessing Generation Life Investor Online at secure.genlife.com.au	See page 43

Setting up your investment and ownership



An investment bond is a type of life insurance investment contract, which means there must be an investment bond owner (investor) and a life insured.

Investment bond owner (investor)

The investment bond owner is the legal owner of the investment and (provided the owner is at least 16 years of age) has full ownership and transaction rights. The requirements for investment bond owners will depend on the type of investment bond set up.

LifeBuilder

LifeBuilder provides flexible ownership options.

Individuals or joint investors

Up to three people can apply for a LifeBuilder investment. Where there are joint investors, each joint investor will be treated as a joint life insured, unless you specify someone else to be the life insured.

If one joint investor passes away, the investment will continue in the name of the surviving investor(s) provided that the joint investor was not also the sole life insured or nominated life insured.

An Account Guardian can also be established to hold the investment on trust if on your passing you arrange for a transfer of ownership to a child under 16 years old (refer to page 37 for further information on when an Account Guardian can be nominated for LifeBuilder).

Companies and trusts

Companies and trusts (including deceased estates) can also set up an investment; however, a natural person needs to be specified as the life insured. Nominating a beneficiary under the EstatePlanner feature is not possible with these forms of ownership.

ChildBuilder

A ChildBuilder can be established by up to three individuals (as joint owners) or a trust for a nominated child. Applications by a company cannot be made and you cannot change the child once they are nominated.

If you die before the ChildBuilder vests (transfers) to the child, you have the options of either nominating an Account Guardian to hold the investment or having your estate's representative hold the ChildBuilder in trust for the child. They will be required to administer the investment for the maintenance and benefit of the child. Refer to page 27 for further information on nominating an Account Guardian for ChildBuilder.

If the child passes away before vesting age, the investment will mature, with the proceeds paid to you (or your estate) as a tax-free payment.

FuneralBond

With a FuneralBond, you have the following ownership options.

Individual ownership

You can own the FuneralBond in your own name. An ideal arrangement for couples is to each own a separate FuneralBond. This enables each individual owner to invest up to the maximum amount allowed under social security rules without affecting pension entitlements.

Joint ownership

You and any other person can jointly own the FuneralBond. In this case, the FuneralBond covers the funeral expenses of one of the joint owners.

Children investing

Children between the ages of 10 and under 16 years can invest and set up a LifeBuilder investment, provided a parent or guardian provides written consent. Until the child reaches 16 years of age, they are only able to transact on the investment with the consent of their parent or guardian.

When the child reaches 16 years of age, they will become the owner of the investment bond in their own capacity and will have full control and rights over the investment.

The life insured

For LifeBuilder, at least one life insured must be nominated on the investment. The life insured must be a natural person, who can be the owner (but does not have to be). The life insured does not need to be related to the owner or be a dependant. You cannot remove a life insured, but you can add additional lives insured.

You can nominate a particular life insured that will result in a payment of benefits to nominated beneficiaries (if selected) on the death of that life insured. If you do not nominate a particular life insured, the benefit proceeds will be paid on the death of the last surviving life insured. The nominated life insured can be changed at any time by completing the form available on our website.

If you have elected to use the Future Event Transfer feature (refer to page 35 for further details about this facility), then the nominated transfer recipient(s) will be automatically added to the investment as a life insured at the time of nomination.

On the death of either the nominated life insured or the last surviving life insured (as the case may be), tax-free benefit proceeds will be paid to the selected nominated beneficiary(ies) or (where the nominated life insured is not the owner) to the owner(s) of the LifeBuilder investment.

Please refer to the 'Nominating a beneficiary' section on page 38 for further information on how you can nominate beneficiaries to receive benefits from your LifeBuilder investment on your death.

For ChildBuilder, your nominated child will be automatically set as the life insured. It is not possible to remove the child or add another life insured to a ChildBuilder investment.

For FuneralBond, the owner(s) will be automatically set as the life insured(s).

Investment term

Your LifeBuilder investment has an investment term of 99 years; however, you can make a full or partial withdrawal at any time. The investment term applied does not impact your ability to access your LifeBuilder investment when you need it; you can access your investment at any time. The investment term can be changed at any time by completing the form available on our website or by notifying us in writing.

ChildBuilder and FuneralBond investments do not require an investment term to be set.

Using EstatePlanner

Flexibility to choose to whom and how your LifeBuilder investment is passed on

EstatePlanner lets you establish tax-effective inheritances with the flexibility to structure your investment, as part of - or outside of - your will and legal estate.

You can use the unique Future Event Transfer feature to control when and how your investment will be tax-effectively transferred and accessed by the next generation on the death of the owner, including locking in a regular amount to be paid to the recipient once ownership is transferred.

Alternatively, you can use the beneficiary nomination feature, where you can set one or multiple beneficiaries to receive the proceeds of your investment on the death of the nominated life insured.

If you do not elect to use EstatePlanner, your investment will pass under your will and legal estate on your death.



Future Event Transfers

A unique feature of EstatePlanner is the ability for an individual, joint investor or trust investor to select a future date for the automatic transfer of a LifeBuilder investment, including the death of the investor (where the investor is a natural person). This Future Event Transfer feature is a convenient way to automatically transfer ownership of your LifeBuilder investment to a new individual owner.

You have the peace of mind of knowing that you control when the future transfer of your LifeBuilder investment occurs and that you can change it at any time. You continue to have full control and access to your investment until the transfer occurs.

Using the Future Event Transfer feature provides added tax related benefits as the initial investment date of your LifeBuilder is retained after transfer, meaning that the 10-year advantage period is not reset when transferred. Furthermore, the transfer happens tax-free and without any personal tax or capital gains tax implications (refer to the 'Tax and social security' section on page 57).

If you select your death as the transfer event (available for individual and joint LifeBuilder investors), the transfer will occur once we have received notification of your death and all required documentation. The tax-free transfer passes outside of your will and legal estate and potentially helps to avoid the challenges and claims that can be associated with a will. You can also avoid possible lengthy delays and legal costs associated with the granting of probate or the administration of your estate.

Using the Future Event transfer feature is simple and straight forward

1.

You simply nominate the individual on the Application Form who is to receive your LifeBuilder investment bond.

4.

After the nominated transfer date (or your passing as the case may be), your LifeBuilder investment will be transferred to the new owner tax-free. We will need to verify the identity of the new owner (including any identification documentation required) and receive notification of your passing (if applicable) to complete the transfer.

2

Nominate on the Application Form when you want the transfer to occur (either a future date or on your passing). You can alternatively nominate the earlier of the nominated date and the date of your passing. If you have nominated a future date and you pass away before this date, you can also elect to restrict your estate from making a withdrawal, creating a charge, transferring or assigning ownership.

5.

Once all the required documentation is received and processed, the transfer will be completed. The new owner will also benefit from not having to restart the 10-year advantage period.

3

Elect any conditions you want to place on the ability for funds to be withdrawn after the transfer happens. You can:

- nominate the date after which funds can be fully accessed after transfer, or
- set up a Regular Income Payment amount to be paid over your nominated term and at a set frequency (either as a dollar amount or a percentage of the account balance).

6

The new owner is free to change the investment strategy and make withdrawals (subject to any conditions or limitations you have placed on the account).

Controlling access after transfer

There may be situations where you would like to control how the recipient of your investment accesses funds. With the Future Event Transfer feature, you have the option of either delaying the recipient's access to funds until after a specified period, or setting a Regular Income Payment amount to control how much the recipient will receive and how often they will receive it after transfer. You can also set when the Regular Income Payment will start and finish, providing you with added control over how your wealth is passed on.

Regular Income Payments

With the Regular Income Payment feature, you can establish a regular payment to be made into your intended individual recipient's nominated Australian financial institution account on a monthly, quarterly (January, April, July and October), half yearly (January and July) or annual (July) basis whether for a set period of time or otherwise. The payment will normally occur on the 8th of the month; if any of these days are not Melbourne business days, the preceding Melbourne business day will apply. Investments will be sold down prior to the payment date to fund the regular income payment amount.

The amount you set as a regular payment can be either a fixed dollar amount or a percentage of the account balance value at the time of transfer. The payment of the amount will be subject to receiving all required documentation from the recipient and having up to date financial institution account details.

The minimum payment amount is \$100 per payment. Although the recipient will not be able to change the total annual Regular Income Payment amount, they will be able to change the payment frequency or stop or suspend payments. Payments will then start or be updated at the next payment cycle following receipt and processing of all required documentation. Payments will cease once minimum account balance requirements are not met or on the death of the recipient. Upon the death of the recipient, the recipient's estate will receive the proceeds of the investment tax-free.

The establishment of the Regular Income Payment will be subject to a minimum account value of \$10,000 at the time of either establishing the arrangement or on the future transfer. Should the minimum value not be met, the Regular Income Payment will not be established, and the recipient will be free to access the funds at any time. A minimum of \$1,000 must be maintained in the account after the Regular Income Payment, otherwise the account may be closed, with the remaining funds returned to the recipient.

The intended recipient must be the nominated life insured on the account. The recipient will not be able to amend life insured details. There may be tax implications where a Regular Income Payment is made within 10 years of the investment date (refer to the 'Withdrawal' section on page 13).

We may cancel the Regular Income Payment arrangement or vary the terms and conditions of use after providing notice.

Account Co-Signatory

If you have placed a restriction on accessing funds (either as a delay in access to funds or by nominating a Regular Income Payment amount), you can provide the recipient with the flexibility to help manage any unforeseen or unexpected funding they may need. By nominating a Co-Signatory, you authorise them - on a limited authority basis - to approve a one-off withdrawal request made by your intended recipient after transfer. However, they will not be the owner or be able to control or operate the account.

You can nominate up to two individuals aged 18 years or more to act as Co-Signatories to the account. Where two Co-Signatories are nominated, they may act jointly or severally.

To nominate a Co-Signatory, you must complete the Co-Signatory Nomination Form. A Co-Signatory can resign their position or can be changed at any time by you by completing and signing the Co-Signatory Nomination Form.

A Co-Signatory's nomination is revoked automatically upon their death or mental incapacity.

In the event that you remove the Co-Signatories, or the Co-Signatories pass away, or become mentally incapacitated after the transfer of the account, then your recipient's ability to access funds will be determined, based on the original restrictions that you placed on the transfer.

We may cancel the Co-Signatory arrangement or vary the terms and conditions of its use after providing notice.

What happens if I pass away before my nominated transfer date?

If you pass away before your nominated transfer date, your LifeBuilder investment will be held by your estate representative. Alternatively, you can arrange to transfer your investment on your death if you unexpectedly pass away prior to the selected transfer date. You can elect for this to occur on the Application Form.

If you have elected to use the Future Event Transfer feature and your LifeBuilder investment is held by your estate representative, they will not be able to revoke or amend the transfer request. You can also elect to restrict your estate's representative's ability to make a withdrawal from your investment, transfer ownership of the investment or use the investment as security. This provides added peace of mind in knowing that your investment bond will be transferred to your intended recipient.

Nominating an Account Guardian

If you elect to arrange for a future transfer to occur, the new owner (recipient) must be at least 16 years of age at the time of transfer, otherwise your account will be held by your estate representative on trust (on behalf of the child) until the child turns 16 years of age.

To provide more certainty regarding who will look after your account after your death but before your nominated recipient is able to own the investment in their own right, an Account Guardian can be appointed to hold and administer your investment.

If you appoint an Account Guardian, they will hold the investment on trust on behalf of the child until the child reaches 16 years of age, after which ownership will revert to the child.

Please refer to page 44 for further information regarding setting up an Account Guardian and page 57 for how any tax assessable income on withdrawals will be allocated where an Account Guardian is nominated.

What happens on transfer?

Your investment strategy at the time of transfer will carry over to the new owner or Appointed Guardian on transfer. The new owner or Appointed Guardian will be able to modify the investment strategy and make further contributions.

Where an Account Guardian has been nominated, they will have the control and authority to operate the account. However, they will not be able to make a withdrawal from your investment, close the account, transfer ownership of the investment or use the investment as security unless specifically authorised by you.

It is important to note that the life insured does not change because of a transfer nomination or the actual transfer of ownership. The nominated future owner will be automatically added as a life insured to your investment at the time the nomination is made. The new future owner can, once they become an owner, specify additional lives insured if required (and subject to any restrictions). Please refer to page 33 for more information about nominating a life insured.

Nominating a beneficiary

As an alternative to the Future Event Transfer feature, you can choose beneficiaries to receive the proceeds of your investment bond benefit tax-free on the death of the nominated life insured or last surviving insured (as the case may be – see page 33). You can nominate individuals, companies, trusts or charities as beneficiaries to receive your investment bond's proceeds.

There is no restriction on the number of beneficiaries you can nominate or what percentage can be allocated to each beneficiary. You can also remove or add a beneficiary, as well as change the benefit percentage allocations at any time.

By nominating a beneficiary, your LifeBuilder investment bond does not form part of your estate. This means that tax-free benefit proceeds pass outside of your will and legal estate, potentially avoiding estate challenges and claims. You can also avoid the possible lengthy delays and legal costs associated with the granting of probate or the administration of your estate.

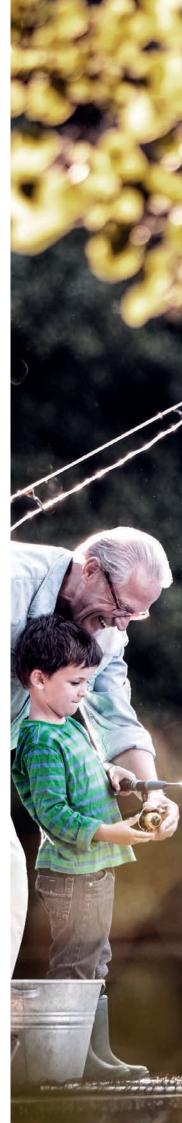
Joint Survivorship nomination

EstatePlanner makes it easy for you to manage your beneficiary nominations. If you have nominated multiple beneficiaries and one of the beneficiaries passes before the death of the nominated life insured, you can choose to have the deceased beneficiary's percentage tax-free benefit entitlements re-distributed automatically to the surviving beneficiaries on a pro-rata basis.

This option means that you do not need to remember to modify your beneficiary nomination in the event of the death of one of the beneficiaries.

Down-the-line nomination

As an alternative to using the Joint Survivorship feature, you can automatically reallocate tax-free benefit proceeds from the originally specified beneficiary to pass 'down-the-line' (for example, from a nominated beneficiary to their child, or to their estate representative) in the event of their passing before the last nominated life insured.





How do I invest and maintain my investment?

Investing and managing your investment is easy and simple

Step 1	Select the investment bond type and the owner type as applicable (individual, joint, trust – including deceased estates, or a company)
Step 2	Set the life or lives insured (LifeBuilder only)
Step 3	Select your investment mix from the wide range of investment options available
Step 4	Select how you would like to use the EstatePlanner feature (optional LifeBuilder feature)
Step 5	Select any additional features including the Regular Savings Plan
Manage your investi	nent Make additional investments and switching investment options



Initial investment

The minimum initial investment is \$1,000, which can be paid by:



BPAY® - make a payment from your Australian financial institution (you will be provided with our BPAY biller code and your investment's customer reference number).

Direct debit - you will need to complete the direct debit authorisation section of the Application Form.

Cheque - made payable to Generation Life Ltd <Investor name> and marked 'Not Negotiable'.

The minimum investment in any investment option is \$50. You should indicate on your Application Form the amount or proportion of your investment in each investment option.

Your investment will be processed once we have received a completed Application Form (including any identification documents required) and your investment amount.

You can also apply quickly and conveniently using the online Application Form www.genlife.com.au/invest

Your investment strategy – Default Investment Allocation

Generation Life Investment Bonds provide you with the flexibility to choose multiple investment options (refer to page 47). As part of setting up your investment, you must nominate the investment option allocation strategy into which you would like your funds to be invested (subject to the minimum investment requirements referred above). This is known as your Default Investment Allocation.

Your Default Investment Allocation forms the basis for the allocation of the initial and all future contributions you make to your investment, whether by way of one-off additional investments or regular investments through the Regular Savings Plan facility. Additionally, the Default Investment Allocation will be used for the Auto-rebalancing facility and the Dollar Cost Averaging facility (where applicable).

You can change your Default Investment Allocation at any time, however, please note that any changes you make will only apply to all future contributions you make. If an investment option becomes suspended, restricted or unavailable, your Default Investment Allocation will be reweighted in proportion to your remaining investment options in your Default Investment Allocation.

Additional investments

Additional investments can be made at any time by BPAY, direct debit, cheque or by starting a Regular Savings Plan. The minimum additional investment in any investment option is \$50 (including if using the Regular Savings Plan).

Your additional investment will be processed according to your Default Investment Allocation. If you would like to process your investment based on a different allocation strategy, then you can do so by providing us with a specific one-off investment allocation instruction and using the Additional Investment via Direct Debit form available from our website.

Where an additional investment may result in the amount invested in that particular year exceeding 125% of the previous investment year's investment (refer to the '125% opportunity' section on page 15), then we may delay processing part or all of the additional investment to confirm investment instructions.

Dollar Cost Averaging facility

This facility lets you set a period to implement a Dollar Cost Averaging investment approach on your initial and additional contributions (excluding Regular Savings Plan contributions) progressively, on a monthly basis (up to a maximum of 12 payments). As your progressive investments will be applied for at varying prices, the cost of gaining exposure to the particular investment option(s) is 'averaged' over time.

The minimum contribution required to use this facility is \$25,000 (either as an initial or additional contribution) per investment bond. Initially, your contribution will be invested in the Macquarie Treasury Fund investment option (or another cash investment option as we determine from time to time) and progressively switched into your chosen investments according to your Default Investment Allocation.

Illustration of Dollar Cost Averaging

John wants to invest \$30,000 into an Australian share investment option for the long-term but is concerned that the value of the investment may, in the short-term, fall in value. John decides to use the Dollar Cost Averaging facility and has nominated that his investment be progressively invested into the Australian share investment option in three equal monthly instalments according to his Default Investment Allocation.



Regular Savings Plan

The Regular Savings Plan enables you to take a disciplined approach to investing.

Regular Savings Plan contributions can be made via direct debit on a monthly, quarterly, half yearly or annual basis. The minimum savings plan contribution is \$50 per month, with a minimum of \$50 per investment option. Funds will be automatically drawn from your nominated Australian financial institution account at the selected frequency. We normally initiate this deduction on the 15th day of the month or the next Melbourne business day. Funds may take up to three (3) Melbourne business days to be received by us depending on your financial institution.

Bank transaction fees and government charges may apply. You are required to ensure that you have provided us with up-to-date details of your Australian financial institution account and that sufficient funds are available.

Bank dishonour fees may apply if you do not maintain sufficient funds to cover the regular deposit amount. Your Regular Savings Plan may be cancelled where two consecutive direct debits fail to occur.

You can change your nominated Australian financial institution account details, regular investment amount (provided it stays above \$50 per month) and frequency or suspend or cancel your savings plan by completing the Regular Savings Plan form available from our website. Please notify us at least five (5) Melbourne business days before the next automatic contribution is due, to ensure your request is carried out in time.

Your Regular Savings Plan will be invested into your chosen investments according to your Default Investment Allocation. It is important to consider the 125% opportunity requirements when making any additional contributions to your investment bond through the Regular Savings Plan feature.

Automatically increase your Regular Savings Plan amount

You can increase your Regular Savings Plan amount at any time by sending us a completed Regular Savings Plan form available from our website.

Alternatively, you can have your regular savings amount automatically increase each investment year, by a fixed percentage amount of up to 25%. This enables you to conveniently manage the 125% opportunity that an investment bond provides. You will need to have made consistent regular contributions over the previous investment year to commence your automatic increase.

For example, if your quarterly Regular Saving Plan contributions are \$300 per quarter and you elect to increase your savings amount by 10%, your annual contributions will be automatically increased to \$330 per quarter in the following investment year. This increase will take effect from the first Regular Savings Plan contribution on or after the start of your investment year.

We will notify you prior to the start of the investment year of the intended increase to your Regular Savings Plan contribution. To automatically increase your Regular Savings Plan contributions, simply make this selection on the Application Form.

You can change or cancel this facility at any time by notifying us in writing. Please notify us at least five (5) Melbourne business days before the investment bond's new investment year, to ensure your request is carried out. It is important to consider the 125% opportunity (refer to page 15) when making any additional contributions to your investment.

Switching investment options

You can switch all or part of an investment option into one or more of the other investment options at any time, as long as you meet the withdrawal and application criteria for the chosen investment options, including:

- a minimum switch amount of \$50 per investment option; and
- a minimum balance of \$50 must be held in an investment option after any partial switch from that investment option.

The Product Disclosure Statement may be updated or replaced from time to time, and you should read the current version before you switch. You can obtain a copy of the current Product Disclosure Statement from our website www.genlife.com.au.

We can suspend the processing of switches where we believe it is in the best interests of investors, as well as impose additional conditions (see the 'Suspension of applications, switches and withdrawals' section on page 60 for further information). Your Default Investment Allocation will be updated if you also provide instructions to update your Default Investment Allocation at the time of the switch request.

Auto-rebalancing facility

The value of your investment in any particular investment option will change over time, and this movement may cause your investment portfolio allocation to deviate from your Default Investment Allocation.

Auto-rebalancing realigns your investment portfolio to your selected investment option weightings according to your Default Investment Allocation. It is, in effect, a form of automatic switching. This facility provides a simple way for you to maintain your investment strategy by authorising us to switch between your chosen investment options to rebalance your investment portfolio on an annual basis (normally in May of each year).

If all your investment option balances are within 1% of your selected weightings on the auto-rebalance date, then the auto-rebalance may not occur, however, auto-rebalancing will remain active on your investment portfolio for the next rebalance date. You can choose to have your portfolio rebalanced annually by completing the appropriate section of the Application Form.

If you have an active Dollar Cost Averaging amount outstanding at the time of the scheduled annual autorebalance date, your annual autorebalance will not occur. Your annual autorebalance preference will, however, remain active for the next scheduled rebalance date.

Auto-rebalancing may be subject to the normal minimum investment or switching requirements that apply. Although there are no fees associated with using the auto-rebalancing facility, it will withdraw you from one investment option and invest into another, so buy-sell spreads will apply. Please refer to the 'Transaction and operational costs' section on page 54 for further details on buy-sell spreads.

Bonds Custodian Trust

If you are looking to hold your LifeBuilder investment in a private trust, then our Bonds Custodian Trust facility can be both convenient and cost-effective.

The Bonds Custodian Trust only holds LifeBuilder investments; it can hold more than one LifeBuilder investment provided the investments are in the same name.

Holding a LifeBuilder investment within the Bonds Custodian Trust can assist with certain financial and estate planning outcomes. In particular, it can help improve any entitlements and benefits that are affected by the age pension income test and aged care accommodation or home care service fee income test.

A Bonds Custodian Trust that holds a LifeBuilder investment will not generate ongoing assessable income (this is because LifeBuilder itself does not distribute ongoing income). However, the Bonds Custodian Trust will, generally be subject to the assets test.

We recommend you consult with your financial adviser or contact Centrelink or the Department of Veterans' Affairs for further information regarding social security benefits.

There is no need to set up a separate bank account for the Bonds Custodian Trust and no additional tax reporting is required. You have full access to a LifeBuilder investment held by a Bonds Custodian Trust established for you, including the ability to switch investments.

Once your Bonds Custodian Trust has been established, you will receive a copy of the Bonds Custodian Trust trust deed, your Bonds Custodian Trust nomination schedule and confirmation that your LifeBuilder investment has been transferred into your Bonds Custodian Trust. You can find further information about the Bonds Custodian Trust in the 'Additional Information' section on page 63.

We recommend that you consult with your financial adviser if you are considering establishing a Bonds Custodian Trust.

Withdrawals

LifeBuilder and ChildBuilder

Full or partial withdrawals

You can request access to part or all of your investment at any time subject to the following minimum requirements.

Minimum withdrawal amount	\$500
Minimum investment balance required	\$1,000
(after withdrawal)	

Benefit payments on death of the nominated life insured

Benefit payments due to the death of the nominated life insured will be processed with the effective date being the day all of our death benefit claim requirements are met. Where beneficiaries have been nominated, benefit payments will be made to the nominated beneficiaries.

In the event there are no nominated beneficiaries, and the life insured is not the last surviving owner, then benefit payments will be paid to the last surviving owner.

Regular Withdrawal facility

This is a convenient way for you to receive automatic payments from your investment for predetermined amounts at regular intervals. For example, if you are relying on your investment to provide you with a regular income, this facility eliminates the need for you to lodge a separate withdrawal request each time. The minimum withdrawal amount for the Regular Withdrawal facility is \$500 per month. You must also maintain at least \$1,000 in your investment after the withdrawal, otherwise your investment may be closed, and the remaining funds returned to you.

You can choose regular withdrawals to be paid from your selected investment options monthly, quarterly (January, April, July, and October), half-yearly (January and July) or yearly - the default frequency (being July). Regular Withdrawal payments will normally occur on the 8th of the month, if any of these days are not Melbourne business days, the preceding Melbourne business day will apply.

You can change the frequency, amount, your nominated Australian financial institution account details, selected investment options to sell down or cancel your Regular Withdrawal facility. There may be tax implications where a withdrawal is made within 10 years of the investment date (refer to page 13).

Further details regarding the Regular Withdrawal facility are available on page 60.

FuneralBond

Funds cannot be withdrawn from your FuneralBond prior to your death. Your benefit will be paid after a claim for funeral expenses is lodged by your estate's legal representative and processed. If your FuneralBond has been transferred to a funeral director as part of a prepaid funeral arrangement, then the benefit proceeds will be paid to the funeral director, otherwise the benefit will be paid to the estate's legal representative.

Where there are joint owners, only one claim associated with one of the joint owners can be made. The surviving owner must advise us at the time of notification of death of the first deceased regarding whether to continue with the FuneralBond or have the benefits paid for the first deceased's funeral costs. The FuneralBond benefits will be paid out in full on receipt of the claim and all required documentation.

Payment of withdrawals and death benefits

We aim to pay completed withdrawal requests, death benefit payments and FuneralBond payments generally within seven (7) Melbourne business days of receiving all required documentation. In certain circumstances, the payment of withdrawals can be delayed (see the 'Suspension of applications, switches, and withdrawals' section on page 60 for further information).

Account Guardian

An Account Guardian can be nominated to temporarily hold a LifeBuilder or ChildBuilder investment in the event of the death of the last surviving owner, where a future transfer of an account has been requested and the intended recipient has not (in the case of LifeBuilder) attained 16 years of age or (in the case of ChildBuilder) has not reached vesting age or the future transfer date has not been reached.

What can an Account Guardian do?

An Account Guardian can operate separately to, and is not subject to the terms of any will or a power of attorney you may have. An Account Guardian has limited capacity to alter your investment arrangements and would be permitted to:

- · update account details
- · make investment switches
- make additional contributions
- · receive information about the account
- appoint a financial adviser, including the authority to approve the deduction of adviser fees

An Account Guardian is restricted from surrendering, transferring, assigning, or making a withdrawal from the account, unless specifically authorised by you. They are also restricted from changing the nominated transferee or child (in the case of ChildBuilder) or changing or adding a life insured.

Nominating or changing an Account Guardian

You can nominate up to two individuals aged 18 years or more to act as an Account Guardian. Where two individual Account Guardians are nominated, they may act jointly or severally.

To nominate an Account Guardian, simply complete the Account Guardian Nomination Form. Once the child has either attained 16 years of age (in the case of LifeBuilder) or reached vesting age (in the case of ChildBuilder), the Account Guardian nomination will be automatically revoked. An Account Guardian can also resign their position or can be changed at any time by completing and signing an Account Guardian Nomination Form. An Account Guardian's nomination is revoked automatically upon their death or mental incapacity.

What happens if there is no Account Guardian appointed after your death?

If, as a result of a change to the Account Guardian's status, (for example the resignation, death or mental incapacity of an individual Account Guardian) there is no Account Guardian appointed, then your estate's legal representative will become responsible for the operation of the account and has the same rights and powers as the Account Guardian to allow them to operate your account until your account transfers to the child/recipient.

Terms of use

The Account Guardian will hold the investment on trust for the child. We may cancel the Account Guardian arrangement or vary the terms and conditions of its use after providing notice.

Electronic instructions

We may accept certain instructions on your investment by authorised signatories to your account or your Adviser Representative using scanned documents sent by email or using via electronic means. In some cases, an original document and signature may also be required. However, we will not act on any request that we have reason to believe is not genuine. Please refer to page 61 for the terms and conditions of electronic instructions.

Transferring your investment

You can transfer ownership of your investment at any time subject to the restrictions noted below. The transfer of ownership occurs without personal tax or capital gains tax implications if no consideration is paid. Importantly, the 10-year tax advantage is maintained and not reset because of the transfer. To transfer your investment, you will need to complete a transfer form available from our website.

On transfer, you will be replaced as the owner of the investment with ownership and all future rights assigned to the new owner.

For LifeBuilder, transferring your ownership will void the nomination of beneficiaries and instructions under the EstatePlanner facility, unless the transfer is part of establishing a Bonds Custodian Trust facility (refer to the 'Bonds Custodian Trust' section on page 43). Transferring ownership will also void any previous Future Event Transfer instructions provided.

With ChildBuilder, a transfer can only be made to a natural person or trust and only prior to the child reaching the vesting age.

A FuneralBond can only be transferred to a funeral director (as part of a prepaid funeral arrangement). The funeral director will then become the legal owner of the investment, will be able to change the investment strategy and will receive all future communications.

Keeping you informed

Online services

Our online services provide you and your nominated financial adviser with access to the latest information on your investment and enables you to track your investment anywhere and at any time. You can view portfolio holdings, including performance information and charts, transactions, fees, and investment options chosen, as well as use the online resource centre, which includes forms to help you manage your investment.

You can access our online services by visiting secure.genlife.com.au

Other information

The following statements will be available through the Generation Life Investor Online service:

Confirmation of your initial investment – including ownership details and confirmation of any Regular Savings Plan. In the case of ChildBuilder, we will also include details of the nominated child and selected vesting (transfer) date.

Investment anniversary reminder – we will notify you of the maximum additional contributions you can make in line with the 125% opportunity to maximise your investment, while still maintaining the current tax status of your investment, provided the additional contribution amount meets our minimum additional investment requirements.

Transaction statement – for additional investments, investment switches and partial or full withdrawals.

Annual statement – containing transactions made on your investment over the previous 12 months and performance and investment information relating to the investment options.

Tax statement – for LifeBuilder and ChildBuilder, a tax statement will be provided after each financial year end where a withdrawal has been made within the 10-year period. For a FuneralBond, a tax statement will be provided following the payment of the benefit.

Change of ownership

Where the ownership of an investment has been transferred, assigned, or vested, all future correspondence will only be sent to the new owner (or first named owner in the case of joint ownership). In the case of a FuneralBond assignment to a funeral director, all correspondence will be sent to the funeral director. Where a ChildBuilder has vested and ownership has transferred to the nominated child, the child will receive all future correspondence.

Investment options



Generation Life Investment Bonds are designed to help you achieve your investment goals and provide access to a wide range of investment strategies and styles. You have access to leading Australian and international investment managers, including specialist boutique investment managers across various asset classes, including shares, fixed interest, property, alternative assets, diversified strategies and cash.

Range of investment styles

Our range of investment options provide you with a choice of investment management styles and objectives to cater for different goals. You can choose from the following options:

- Single-sector strategies focused on a particular asset class
- Multi-asset strategies with access to multiple asset classes to cater for different investor risk profiles or outcome-based objectives
- Index strategies for a low-cost approach to investing
- Responsible investing strategies where environmental, social or governance issues are important to you when selecting your investment portfolio (refer to the Investment Options booklet for further information about responsible investing).

All investment options are managed under the Generation Life Tax Aware management process, with the aim of delivering a tax-efficient investment outcome (refer to page 18 for further details about Generation Life's tax management process).

You can choose one option, or a combination of different options and you can transfer your money into other options at any time. Each investment option has a different level of risk and potential level of return. You can learn more about the risks associated with investing on page 48.

We recommend that you consult a financial adviser to assist you in determining the most appropriate investment options for your portfolio.

Investment options menu

You should refer to the Investment Options booklet for detailed information on the investment options available. A copy of the booklet is available online at www.genlife.com.au, by contacting us, or from your financial adviser.

The Investment Options booklet provides an up-to-date listing of all investment options currently available for investment, together with detailed investment profiles for each investment option, including information about each option's investment objective, investment approach, the investment manager appointed, the expected level of tax efficiency and the expected level of risk or volatility in returns.

The information relating to investments may change between the time you read the Product Disclosure Statement and the day you lodge your Application Form.

Investment risk



Understanding investment risk is the key to developing a successful investment strategy. When considering your investment strategy, it is important to understand that:

- · all investments are subject to risk
- there may be loss of capital or earnings
- different investment strategies will carry different levels of risk depending on the assets that make up the strategy and the investment approach
- higher long-term returns may also carry a higher level of short-term risk

When formulating your investment strategy, it is important to understand that:

- the value of your investment can increase and decrease
- · returns are not generally guaranteed
- you may lose money
- past returns do not determine future performance.

The appropriate level of risk for you to meet your investment objective will depend on a number of things, such as your age, investment time horizon, your comfort with losing some or all of your investment value and volatility in returns during your investment term.

Generally, over the long-term, the higher the level of risk, the higher the expected levels of return that may be achieved. Selecting investments that best meet both your investment needs and timeframe is important when considering the level of risk that you are prepared to accept. Your financial adviser can help you understand investment risk and develop an investment strategy that meets your investment objectives.

Measuring risk levels

The risk level is represented by the Standard Risk Measure ('SRM'), which is based on industry guidance to allow you to compare investments that are expected to deliver a similar number of negative annual returns over any 20-year period. The SRM is not a complete assessment of all forms of investment risk and does not consider the impact of fees on the likelihood of a negative return.

You should ensure that you are comfortable with the risks and potential losses associated with your chosen investment option(s).

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very Low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

Details about specific investment option risk levels are contained in the investment option profiles of the Investment Options booklet.

Specific risks of investing

Risk is often defined as the likelihood that an investment will fluctuate in value. Generally, the higher the potential return of an investment, the greater the risk of loss. It is important to understand that all investments involve varying degrees of risk.

There are many factors beyond the control of investors that may affect investment returns. Below is a summary of the main risks that can impact your investment. Returns from individual investment options may be affected by risks additional to those summarised below.

Market risk

Markets are affected by a host of factors, including economic and regulatory conditions, market sentiment, political events, and environmental and technology issues. These could have a negative effect on the returns of all investments in that market. This may affect investments differently at various times.

Interest rate risk

Changes in interest rates can have a negative impact, either directly or indirectly, on investment value or returns on all types of assets.

Currency risk

If an investment is held in international assets, a rise in the Australian dollar relative to other currencies may negatively impact investment values or returns.

Credit risk

There is always a risk of loss arising from a debtor or other party to a contract failing to meet its obligations. This potentially arises with various securities, including derivatives, fixed interest, and mortgage securities.

Liquidity risk

Liquidity risk is the risk that an investment may not be easily converted into cash with little, or no loss of capital and minimum delay because of either inadequate market depth or disruptions in the marketplace.

Derivatives and gearing risk

Some investment options may use derivatives and gearing, either directly or indirectly. The use of derivatives (which may be used to reduce risks and buy investments more effectively) may reduce potential losses and may also reduce potential profits. The use of gearing (borrowing) will magnify the volatility of investment returns.

Investment manager risk

This is the risk that the underlying investment managers and investment options may not perform as expected. We regularly review the performance of the underlying investment managers, as well as conduct extensive research on new investment options that may be made available.

Short selling risk

Some underlying investment managers may use short selling as part of their investment strategy or as a risk management tool. Where permitted, a short position can be created when the investment option sells a 'borrowed' security before buying it back on the open market in order to return it to the securities lender. If the market price of the security falls in value, a profit is made, because it is bought back for less than it was sold. If the security rises in value, a loss is made, because it is bought back for more than it was sold. Another short selling risk is that borrowed securities may be recalled by their lenders forcing the manager to reborrow or buy the securities on unfavourable terms.

Legal and regulatory risk

Changes in domestic and foreign investment and taxation laws may adversely affect your investment.

Operational risk

This is the risk that, if Generation Life doesn't properly discharge its duties in the management of investment bonds (i.e. the operation and administration of the investment options), this may result in a reduction in the value of your investment. We manage this risk through the implementation of corporate governance, risk management and compliance frameworks designed to mitigate operational risk.

Additionally, we are supervised by the Australian Prudential Regulation Authority ('APRA') and are required to provide regular reporting and meet APRA's prudential standards requirements.

Asset risk

Assets classes carry market risk. Specific risks for the main asset classes are as follows.

Shares

Shares carry the risk of falling in value, of not meeting expected dividends and other income payments or not delivering expected dividend franking credits. Additionally, they carry the risk of individual companies faltering due to increased competition, poor management, internal operational failures, or adverse market sentiment. International share investments may also carry currency risk.

Property

The major risks for property investment are a fall in property values and/or rental default or decline. Property investments, particularly if directly held, can also be subject to liquidity risk. Individual property investments face the risk of the loss of tenants, local supply and demand factors and construction, financing, and tenancy risks for new developments.

Fixed interest

Investing in fixed interest securities is in essence lending money to government or business at a rate of interest for a specified length of time. The major risk affecting fixed interest securities and mortgages is credit risk, where the issuer of a fixed interest security or borrower may default on the repayment of principal and/or interest. For fixed interest securities, there is also interest rate risk of investments losing value when market interest rates rise. For floating rate securities, returns may fall when interest rates fall.

Cash and deposits

Cash and deposit investments generally include bank deposits, term deposits, very short-term fixed interest securities and other similar investments. Cash and deposit investments are the most secure, stable and predictable of the asset classes, as the underlying investments are either very short-term in nature or subject to variable interest rates, making them less susceptible to capital movement when interest rates change. Cash and deposits are a very low-risk investment, but also provide relatively low returns in the long-term compared to the other asset classes.

Fees and other costs



Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable if you are a wholesale or professional investor. Ask us or your financial adviser.

investment options.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options

This section shows the fees and other costs that you may be charged. These fees and costs may be deducted from your investment, from the returns on your investment or from the assets of the investment options as a whole. The impact of taxes on your investment is covered on page 57. You should read all of the information on fees and costs because it is important to understand their impact on your investment.

Type of fee or cost		Amount	How and when the fee is paid	
Fees when your money moves in or out of the	Establishment fee The fee to open your investment.	Nil.	Not applicable.	
investment bond	Contribution fee The fee on each amount contributed to your investment.	Nil.	Not applicable.	
	Withdrawal fee The fee on each amount you take out of your investment.	Nil.	Not applicable.	
	Exit fee The fee to close your investment.	Nil.	Not applicable.	
Management	The management costs include the following:			
costs The fees and costs for managing your investment.	Administration fees and costs	An administration fee ranging from 0.40% p.a. to 0.60% p.a. depending on the investment option chosen. Refer to the Investment Options booklet for the administration fee applicable for each specific investment option. Administration fee discounts apply to account balances over \$50,000 (see page 53).	Calculated daily based on the gross asset value of each investment option. This is reflected in the unit prices and is payable monthly in arrears.	
	Investment fees and costs	The fees and costs incurred range from 0.09% p.a. to 1.35% p.a. (excluding performance fee costs). Refer to the Investment Options booklet for the estimated investment cost applicable for each specific investment option.	These costs are either deducted by the underlying investment manager at their respective underlying fund level or deducted by us from the value of the investment option and incorporated into the unit price for the investment option. The underlying investment manager may charge or incur performance fees and other costs (if applicable).	
Service fees	Switching fee ¹ The fee for changing	Nil.	Not applicable.	

You may incur a transaction cost (buy-sell spread), which is included in the entry and exit price of the applicable investment option you choose. For more
information on transaction costs, please refer to the 'Additional explanation of fees and costs' section on page 52.

Additional explanation of fees and costs

Management costs

Management costs include our administration fee and the investment management costs associated with the assets of the investment options. The investment management costs are the estimated investment fees and costs charged by the investment managers or incurred in managing the investment assets for an investment option. These fees and costs are either deducted by the underlying investment manager at their respective underlying fund level or incurred directly by the investment option and they are incorporated into the unit price for the investment option.

Our administration fee is deducted directly from the investment option before unit prices are declared and not from your investment directly. They do not include fees or costs deducted from your investment (such as adviser service fees), buy-sell spreads and other indirect transaction and operational costs (refer to page 54).

The administration fees and estimated investment management costs for each investment option are found in the Investment Options booklet.

Performance fees

For some investment options, the investment management fees may include performance fees payable to or incurred by them. These fees are earned if the investment manager's performance exceeds their specified benchmark or hurdle return rates.

Performance fees are included in either the value of the portfolio of the investment option or deducted directly from the value of the investment option. The amount of any performance fee payable will vary depending on the performance of the investment manager over the performance period. It is therefore not possible to predict or estimate the future performance fee that may be incurred (if any). Refer to the Investment Options booklet for the estimated performance fee costs for each investment option (where applicable).

Example of annual fees and costs

This table provides an example of how the fees and costs for the Vanguard Growth Portfolio investment option can affect your investment value over a one-year period. You can use this table to compare this product with other investment products.

Vanguard Growth Portfolio		Investment balance of \$50,000 with total contributions of \$5,000 at the end of the year	
Contribution fees	Nil	Nil on your \$5,000 contribution made during the year.	
Plus total management costs	0.67% p.a.	And, for every \$50,000 you have invested in the Vanguard Growth Portfolio, you will be charged \$335 each year	
Equals cost of investment option ¹		If you had an investment of \$50,000 at the beginning of the year and you contribute an additional \$5,000 at the end of that year, you will be charged fees of \$335	

Investment transaction and operational costs would also apply. The buy spread incurred on the \$5,000 additional contribution for the investment option in the example above would be \$4.50. The impact of the estimated indirect transaction and operational costs would be \$125 p.a. (\$50,000 x 0.25% p.a.).

Administration fee discount

You may be entitled to a lower discounted administration fee on a new investment bond established under this Product Disclosure Statement. The level of the administration fee discount will depend on the investment value of the investment bonds held and the investment options in which you have invested. The fee discount is applied on the progressive balance of eligible investments.

The following administration fee scale (after discount) applies:

Balance of eligible investment options ¹	Administration fee (after discount) ¹
First \$50,000	Standard administration fee for each eligible investment option – no discount (refer below)
Next \$450,000	0.45% p.a.
Next \$2,000,000	0.30% p.a.
Next \$7,500,000	0.15% p.a.
Balance over \$10,000,000	Nil – full discount

The Macquarie Treasury Fund, Generation Life Term Deposit Fund and Mutual ADI/Bank Securities Fund are not eligible investment options for the purpose of calculating the investment balance and are not eligible for an administration fee discount.

Where an eligible investment option's standard administration fee is lower than the discounted administration fee applicable to the investment balance, the lower administration fee will apply. For example, for the Vanguard Growth Portfolio, an administration fee of 0.40% p.a. will apply to that investment option on account balances up to \$500,000, with the discounted rate applied when the account balance is more than \$500,000.

Calculation of the administration fee discount amount

The reduced administration fee applies only to eligible investment bonds established under this Product Disclosure Statement. The fee is calculated at the end of each month using the average investment balance of eligible investments for that month. We have the discretion to determine the average investment balance and discount amount and our calculation is final.

How the discount will be applied

The reduced administration fee will be applied as a rebate to your fees, which will be credited to your investment(s) in the form of additional units normally in the following month.

Units are allocated using the unit price applicable on the day the rebate transaction is processed. Any applicable buy spread costs incurred from reinvesting the rebate are deducted from your investment.

If you have more than one investment, (e.g. you hold a ChildBuilder and LifeBuilder investment), the total rebate will be allocated proportionally across each investment. If you are invested into more than one investment option, the rebate will be allocated proportionally across each investment option.

In the event of a full withdrawal, your withdrawal will only include a rebate calculated to the end of the month prior to the withdrawal. No discount applies if you make a full withdrawal within the cooling off period. We may (at our discretion) refuse to apply the administration fee discount.

Example of administration fee discount calculation

Assuming the following investment options are held:

Total eligible investment balance	\$600,000
Generation Life Tax Effective Australian Share Fund	\$600,000
Generation Life Term Deposit Fund ²	\$100,000

The fee discount does not apply to this investment option, with the administration fee calculated separately based on its administration fee.

The ongoing fee on the eligible investment options is calculated as follows:

\$0 - \$50,000	\$250
(\$50,000 x 0.50% p.a.)	
\$50,001 - \$500,000	\$2,025
(\$450,000 x 0.45% p.a.)	
\$500,001 - \$2,500,000	\$300
(\$100,000 x 0.30% p.a.)	
Total annual administration fees on eligible investment (after discount)	\$2,575

This example assumes the investment balance is maintained over a 12-month period.

Transaction and operational costs

Each investment option may incur transaction and operational costs including brokerage, trading costs, settlement costs, clearing costs, any applicable stamp duty when the underlying investments are bought or sold and other indirect costs we determine.

For most investment options, there is a difference between the unit price used to issue and redeem units and the value of the investment option's assets. This difference is commonly called the buy-sell spread.

When you invest, switch or withdraw all or part of your investment in an investment option, we use the buy-sell spread to pay for the transaction costs incurred as a result of the transaction, as well as to allocate transaction costs to the transacting investor rather than other investors in the investment option.

An investment option's buy-sell spread reflects the estimated transaction costs the investment option will incur due to an individual investor's transactions. The estimated buy-sell spread that applies to each investment option is shown in the Additional Information booklet.

The buy-sell spread is an additional cost included in the unit price of each investment option. The actual buy-sell spread is subject to change from time to time depending on changes to the composition of the investment option's assets. Buy-sell spreads can be altered without prior notice to you.

Transaction and operational costs incurred - other than those in connection with applications and withdrawals as a result of day-to-day trading, operational activities and other indirect costs, are reflected in the investment option's unit price.

These costs vary depending on the investment option. Further information on indirect transaction and operational costs, as they impact each individual investment option, can be found in the Additional Information booklet.

Miscellaneous costs

If we incur a fee because a cheque or direct debit for your investment is dishonoured by your financial institution, the amount will be charged to your investment.

Offsetting transactions

If we effect an investment transaction without buying or selling the relevant asset (for example, by netting transactions of different investors) we are entitled to retain as a benefit the amount that would otherwise have been payable if the netting or offsetting had not occurred. The relevant costs for the transaction would apply as if the transaction had taken place without netting or offsetting.

Increases or alterations to the fees

Changes to Generation Life fees

We may vary the fees within the limits prescribed in the investment bond's product rules (refer to page 65). If the variation is an increase in a fee or charge, we will give you at least three (3) months' prior written notice. The product rules provide for the following maximum fees to be paid (fees are inclusive of the net effect of goods and services tax ('GST')):

- a maximum contribution fee of 5%
- a maximum administration fee charged to an investment option of 3% p.a.
- a maximum switching fee of 5% of the value of the investment switched

These maximums can only be changed with investor approval.

Changes to underlying fund manager fees and costs

Changes to the fees and costs associated with the underlying fund managers may occur without notice.

Other taxes and stamp duty

All fees, charges and financial adviser remuneration are inclusive of the net impact of GST (where applicable), except where otherwise indicated. Contributions into or withdrawals from your investment do not create a GST liability for you. We may incur expenses that may attract a GST liability. Stamp duty may be payable in some Australian States based on the initial investment amount for the establishment of the investment bond. However, it is not payable on additional contributions, including Regular Savings Plan contributions. For example, stamp duty in New South Wales on a \$50,000 initial contribution would be \$49.

On initial contributions of up to \$50,000 we will pay the duty applicable. For initial contributions above \$50,000, we will deduct the stamp duty amount payable from your initial contribution. We will advise you of any applicable stamp duty costs incurred in your Confirmation Statement.

What can be paid to your financial adviser?

You can agree with your financial adviser to pay an optional adviser fee from your investment for advice services received relating to your investment. All fees paid to your financial adviser (or your financial adviser's licensee) are negotiable between you and your financial adviser. You can change the fees or set up a new arrangement at any time however, we recommend speaking to your adviser before making changes to the fees on your account as this may mean the services and advice that they provide to you will change.

Where financial adviser fees are deducted from your investment account, they must be consented to by you in writing.

The amounts you specify will be GST inclusive. Fees payable for advice and services provided to you are an additional cost to you. There are no maximum amounts, however, we may refuse to deduct the adviser service fee if required by law.

Initial advice fee

You can agree with your financial adviser to pay an initial advice fee for the advice and services they provide.

If you elect to pay your financial adviser an agreed fee from your initial contribution or future Regular Savings Plan contributions, the fee will be automatically deducted from your contributions before investment and paid to your financial adviser. The initial advice fee can be charged as:

- · a percentage of your contribution value; or
- a set dollar amount.

You can nominate any fee agreed between you and your financial adviser in the Application Form.

Any future initial advice fee on a Regular Savings Plan contribution will be paid to the adviser on your account at that time. You can update the adviser on your account at any time.

One-off advice fee

You can agree with your financial adviser to pay a oneoff advice fee for the advice and services they provide in relation to your investment. The one-off advice fee can be charged as a set dollar amount. If you have more than one investment option, the fee will be deducted proportionately across the investment options based on the percentage of your account balance held in each option on the day the fees are withdrawn.

If you elect to pay this one-off advice fee, it will be deducted from your investment and paid to your financial adviser and you authorise us to deduct it from your investment at the time the request is processed by us.

Adviser service fee

You can also agree with your financial adviser to have an adviser service fee, for ongoing advice and services received relating to your investment, deducted from your investment and paid to your adviser on a monthly basis (in arrears). The adviser service fee can be charged as:

- · a percentage of your investment value; or
- a set dollar amount.

The adviser service fee is normally deducted from your investment on the 10th of each month or if the date falls on a non-Melbourne business day, the next Melbourne business day. If you have more than one investment option, the fee will be deducted proportionately across the investment options based on the percentage of your account balance held in each option on the day the fees are withdrawn. We will continue to pay this fee to your adviser (or your adviser's licensee) until you or your financial adviser direct us to cease paying it. We may refuse to deduct the adviser service fee if required by law.

You can nominate any fee agreed between you and your financial adviser in the Application Form.

Any ongoing adviser service fee will be paid to your current adviser or any subsequent adviser on your account. You can update the adviser on your account at any time.

Your written consent to deduct fees from your account

Where required by law, your consent to any ongoing adviser service fees must be renewed annually through your adviser. Where you do not consent to these fees, your adviser cannot arrange for them to be deducted. If you were previously paying an ongoing adviser service fee and do not renew your consent, your financial adviser must notify us to stop charging these fees within five (5) days. We will not be responsible for any losses or damages suffered by you in relation to the payment of ongoing adviser service fees where we have not been notified in accordance with legislative requirements of any changes to your arrangements with your financial adviser.

Alternative remuneration

Subject to the law, we may provide remuneration to financial advisers by paying them additional amounts and/ or non-monetary benefits. If these amounts or benefits are provided, they are payable out of the fees we receive and are not an additional cost to you.

Differential fee arrangements

We may at our discretion, enter into arrangements or individually negotiate our fees with certain investors (or financial advisers acting on their behalf), including 'sophisticated' and 'professional' investors (within the meaning of the Corporations Act 2001 ('Corporations Act'), with our employees (and those of our related entities) or with large investors or other investors as permitted by law. If we do this, lesser fees can be charged or fees can be rebated or waived in full or part.

Tax and social security



LifeBuilder and ChildBuilder

Tax on investment earnings

Generation Life Investment Bonds are tax paid investments.

That is, Generation Life pays the tax on the earnings at the current corporate tax rate of 30%. The actual effective rate impacting your investment may be lower because of franking credits and tax offsets passed from the underlying investment options, as well as certain tax deductions available to us.

Tax on withdrawals

An investor's tax position on a withdrawal will depend on the type of investment bond held. It also depends on the circumstances and time of a withdrawal. Refer to pages 13,14 and 29, and below for further information about tax on withdrawals.

Where a LifeBuilder has been purchased by a child using proceeds from a deceased's estate, or as a result of the transfer of the investment as a result of the death of the original investor, then any tax assessable amounts resulting from a withdrawal from that investment by the child will result in the assessable amounts being assessed as a standard tax payer (where the current resident tax free threshold is \$18,200), rather than as a minor (child aged under 18 years), where the current tax free threshold is \$416.

Death, financial hardship or serious illness

If the nominated life insured dies or suffers an accident, serious illness or other disability within the 10-year advantage period, then no part of the proceeds is assessable, and they will be paid as a tax-free distribution. Similarly, in the event of unforeseen serious financial hardship being experienced by the investor within the 10-year advantage period, then the benefits paid will also not be assessable and will be paid tax-free to the investor.

Transfer of ownership

Transfer of ownership of a LifeBuilder investment bond and the vesting (in effect a transfer) of a ChildBuilder to a child normally occurs without personal tax or capital gains tax implications. However, if a transfer involves consideration or payment, we recommend you obtain taxation advice before transferring ownership. Regardless, the 10-year advantage period is maintained and not reset because of the transfer.

Account Guardian

Where an Account Guardian is appointed in respect of a LifeBuilder Future Event Transfer arrangement or ChildBuilder, the investment will be held on trust on behalf of the recipient. As such, any tax assessable component of the withdrawal proceeds (refer to page 13) will generally be assessable in the hands of the nominated transferee or child and not the Account Guardian.

FuneralBond

The FuneralBond's investment earnings are tax paid at up to 30% by us. This means that you will not have to include anything in your annual tax return for as long as your investment is held.

If you do not transfer your FuneralBond to a funeral director, the funeral benefit will be paid to your estate. The FuneralBond's earnings component (being the difference between the end-value and your net contributions) will then be assessable income in the hands of your estate.

If you transfer your FuneralBond to a funeral director (as part of a prepaid funeral arrangement), then the benefit paid on your death will only need to be included as assessable income in the hands of the funeral director. The transfer of a FuneralBond to a funeral director occurs without personal tax or capital gains tax implications.

Tax file numbers

Under current laws, there is no requirement to provide a Tax File Number (TFN) or Australian Business Number (ABN) to invest in an investment bond.

GST

GST is not payable on contributions, investment earnings, withdrawals or switching transactions. In the event of any change in tax laws or their interpretation that affects the rate of GST payable or the reduced input tax credit levels that we may receive, the amounts deducted from your investment in respect of applicable fees and costs may be varied or adjusted to reflect these changes without your consent or further notice to you.

Tax information

The tax information contained in this Product Disclosure Statement sets out our general understanding of relevant and current tax laws as at the date of this document. These tax laws and their interpretation could change in the future. The tax information contained in this Product Disclosure Statement generally applies to individual investors that are Australian tax residents. If you are investing as a company or trust or you are a non-resident investor, you should seek your own tax advice.

Our reporting obligations

We are required to identify tax residents of countries other than Australia to meet account information reporting requirements under both Australian and international laws.

If at any time after investing, information in our possession suggests that you may be a tax resident of a country other than Australia or you are an investing entity's controlling person or key beneficial owner, you may be contacted to provide further information on your foreign tax status and/or the foreign tax status of the entity and/or any controlling person/beneficial owner. Failure to respond may lead to certain reporting requirements applying to the investment.

A controlling person/beneficial owner refers to the individual(s) that directly or indirectly owns a legal interest in the entity of 25% or more and/or exercises actual effective control over the entity, whether from an economic or other perspective, such as through voting rights. In addition, in the case of a trust, a controlling person/ beneficial owner includes the settlor(s), trustee(s), appointer(s), beneficiary(ies) or classes of beneficiaries and in the case of an entity other than a trust, the term includes persons in equivalent or similar positions.

By completing the Application Form, you certify that if at any time there is a change to the foreign tax status details for you, the entity and/or any controlling person/beneficial owner, you will inform us. You also certify that if at any time there is a change of a controlling person or beneficial owner in your entity, you will inform us.

Changes in residency

If you change from being a non-resident to an Australian tax resident or vice versa, it is important that you notify us immediately.

Social security

Owning a LifeBuilder, ChildBuilder or FuneralBond investment may affect entitlements to means tested government benefits received from Centrelink or the Department of Veterans' Affairs. LifeBuilder and ChildBuilder investments are treated as 'financial assets'; therefore they will count as an asset under the assets test and are deemed to earn income under the income test. For FuneralBond investments, assets and income test exemptions may apply. Where a LifeBuilder or ChildBuilder is held by an Account Guardian, there should generally be no impact on Centrelink or the Department of Veterans' Affairs entitlements.

You should consult with your financial adviser, Centrelink or the Department of Veterans' Affairs on the pension implications of investing in an investment bond.

Withholding tax

Earnings from an investment bond are neither subject to Australian resident withholding tax nor non-resident withholding tax rules. Non-resident withholding tax does not generally apply to earnings, investment growth or withdrawal amounts. Non-resident investors should seek their own professional advice on the tax implications in their country of residence.

Additional information



Using a financial adviser

You may want to speak to a registered financial adviser to help you with investing generally. You can appoint a financial adviser as your Nominated Financial Adviser to assist you with managing your investment. You can agree to pay your Nominated Financial Adviser's AFS Licensee fee as described in the 'What can be paid to your financial adviser?' section on page 55.

Your personal information and information about your investment, including copies of communications sent to you by us, will be provided to your Nominated Financial Adviser, including their officers and staff. We may provide this information either directly or through third party service providers.

Your Nominated Financial Adviser is automatically appointed as your Adviser Representative (unless you instruct us otherwise). Your Adviser Representative can both act and provide certain instructions to us on your behalf. Officers or staff of your Nominated Financial Adviser are also authorised to give instructions in relation to your investment; they are bound by the same terms and conditions as your Adviser Representative.

Your Adviser Representative can generally do a range of things, including make additional investments, make investment switching requests and have access to your investment details. However, your Adviser Representative cannot make a withdrawal (unless the payment is made into an account nominated by you), transfer ownership of your investment to anyone else, change your contact details and banking arrangements, change ChildBuilder arrangements (including the vesting date), change Future Event Transfer arrangements, change or add beneficiaries or lives insured (unless expressly authorised by you)or appoint another representative

You do not need a financial adviser to open or maintain a Generation Life investment. However, if you do nominate a financial adviser when you apply to invest, you can cancel or change that nomination at any time.

The instruction will take up to 10 Melbourne business days to be processed. If you choose not to nominate a financial adviser, you will not be able to have an Adviser Representative appointed.

Given that your Adviser Representative can access your information and will have the authority to act on your behalf on matters concerning your investment, it is important that you are comfortable with your Nominated Financial Adviser handling your investment. If you have any doubts regarding this, you should select the opt-out option in the Adviser Representative appointment section in the Application Form.

You are responsible for anything that your Adviser Representative does on your behalf. If someone we reasonably believe to be either your Adviser Representative, or their officers or staff act on your behalf, we will treat the request as if you had personally acted.

We have the discretion to terminate the Adviser Representative facility or not act on an instruction or request received from an Adviser Representative where we suspect the Adviser Representative is acting illegally or without authorisation. We are not responsible for the actions of your Adviser Representative or for the actions of their officers or staff.

The registration of a Nominated Financial Adviser to act as an Adviser Representative is not to be taken as an endorsement of them by us.

If you do not opt-out from appointing your financial adviser as your Adviser Representative, you release us from any claims and indemnify us against all losses and liabilities arising from any payment or action we make based on instructions that we receive from your Adviser Representative, or their officers or staff, that we reasonably believe are genuine. You also agree that neither you, nor anyone claiming through you, has any claim against Generation Life in relation to these payments or actions.

If you have more than one Generation Life investment held, any instruction you provide regarding the appointment of an Adviser Representative applies only to the specific investment held. We may reject the initial or ongoing appointment of a financial adviser as your Nominated Financial Adviser as may be required by law.

Dollar Cost Averaging facility

By using the Dollar Cost Averaging facility, you are authorising us to switch a portion of the amount contributed from the Macquarie Treasury Fund option or other cash investment option used for this purpose (as determined by us) to another selected investment option(s) at regular intervals.

The first switch instalment will occur at the time of your contribution, with subsequent switches to commence in the following month. Switches will normally occur on the 24th of each month or on the next Melbourne business day. Your Dollar Cost Averaging facility will continue until your contribution has been fully invested or you cancel it.

Regular Withdrawal facility

If you use the Regular Withdrawal facility investments will be sold down prior to the payment date to fund the regular withdrawal. Should a delay in settlement of funds occur, then a delay in your regular payment may occur. The receipt of settlement proceeds from the sell down of your investment option may generally take up to seven (7) Melbourne business days. Once the full proceeds of your regular withdrawal are received, they will:

- only be deposited into your nominated Australian financial institution account; and
- usually be available in your nominated Australian financial institution account within seven (7) Melbourne business days of payment being made by us, given normal operating conditions.

We can cancel your Regular Withdrawal facility relating to a selected investment option if a partial withdrawal (including Regular Withdrawal facility withdrawal) reduces your investment balance in that investment option to less than \$50 (or another amount that we may set and advise you). The Regular Withdrawal facility is also subject to you maintaining a minimum total investment balance of at least \$1,000. Instructions for the establishment of, or changes to, your Regular Withdrawal facility must be received by us five (5) Melbourne business days before the end of a month for it to be processed in the following month.

We can terminate, suspend or impose additional conditions on the operation of your Regular Withdrawal facility at any time with notice to you.

Processing your instructions

Where a valid application (a completed application and cleared funds received) for an initial or additional investment, switch or withdrawal request is received at our office on or prior to 12:00pm (Melbourne time) on a Melbourne business day, we will generally process your request using the unit price applying to the close of business that day. We will generally process your request using the unit price applying to the following Melbourne business day if we receive the request at our office after 12:00pm (Melbourne time).

Transaction processing for all investment options may generally take up to seven (7) Melbourne business days to be finalised and will be dependent on obtaining up-to-date valuations for the underlying investments of the investment option you have chosen to invest in or withdraw from.

Some delays may be experienced as part of normal endof-year and end-of-reporting quarterly periods; however, this will not impact the effective unit price applicable to a transaction request.

If any required documentation does not accompany your application monies (including required customer identification documents), we may either refuse or delay your application request for up to 30 days, after which the application monies will be returned to you.

Suspension of applications, switches and withdrawals

In certain situations, impacting:

- the effective and efficient operation of a market for an asset held directly or indirectly by an investment option;
- in circumstances where we otherwise consider it to be in investors' interests,

we may suspend processing all applications, switches or withdrawals (including regular withdrawals) for that investment option. This may include (but may not be limited to) situations where:

we cannot properly ascertain the value of an asset held by the investment option;

- an event occurs outside of our control that results in us being unable to calculate unit prices or to reasonably acquire or dispose of assets held by the investment option;
- an underlying fund or manager suspends applications, withdrawals and/or unit pricing;
- the transaction would be prejudicial to the interests of other investors; or
- the law otherwise permits us to delay or restrict processing applications or withdrawals.

There may be delays or deferrals in processing a withdrawal, benefit payment or investment switch because of processing delays or deferrals imposed by the underlying investment managers in respect of their respective investment options.

Where this is the case, we may delay the processing of the withdrawal, benefit payment or investment switch until after the underlying investment manager has processed our instructions or until we have received all relevant financial information from the underlying investment manager.

We may also choose to delay processing applications, switches or withdrawals until we have received the tax components for any distributions paid by the investment managers of the underlying funds during any given financial year.

Applications, withdrawals or switching requests received during the suspension will be processed using the entry and/or exit price applicable when the suspension is lifted.

Unclaimed money

In some circumstances, if an amount is payable to you or your nominated beneficiaries and we are unable to ensure that you or your nominated beneficiaries will receive it (for example we may not be able to locate your nominated beneficiaries), we may be obliged to transfer the amount to the ASIC. For more information on unclaimed monies refer to asic.gov.au or speak with your financial adviser.

Electronic instructions

We will not be responsible for any loss or delay that results from a transmission not being received by us and will only process electronic instructions received in full and signed or authorised by the authorised signatories.

Only instructions received from you, or a person authorised by you will be accepted by us. You must comply with any security or verification procedures required by us from time to time. We will assume that any instruction received by electronic means in respect of your investment has been authorised by you, and we will not investigate or confirm that authority (unless we are aware that the instruction was not authorised).

We may refuse to act on any instruction until the validity of the instruction has been confirmed - which may result in delays in your instruction being processed - and we will not have any liability to you or any other person for any consequences resulting from not acting on the instruction. If you chose to provide electronic instructions, you release our representatives and agents from any claims and indemnify us, our representatives and agents against all costs, expenses, losses, liabilities or claims arising from any payment or action we make based on instructions (even if not genuine) that we receive and reasonably believe are genuine, including as a result of gross negligence or wilful default by us, our agents or representatives.

You also agree that neither you, nor anyone claiming through you, has any claim against us, our representatives or agents in relation to acting on instructions received (authorised by you or otherwise). Please be careful; there is a risk that fraudulent requests can be made by someone who has access to your investment information.

We may vary the conditions of the service at any time by providing notice, either in writing, by email or other electronic communication. We may also suspend or cancel the service at any time without notice.

Discretions and minimums

We reserve the right to reject an application for additional investment, or a switch or withdrawal request at our discretion. We also reserve the right to fully withdraw your investment if your withdrawal request would cause your holding to be less than the minimum investment balance requirement. Minimums may be varied from time to time at our discretion.

Future Event Transfer terms

A transfer under the Future Event Transfer feature will take effect on the date of the registration of the transfer by us. Registration will only be possible once the future event or date has occurred. In the case of death, this is once we have received official notification of your death, and after we have verified the eligibility of the new owner.

Transfers under the LifeBuilder Future Event Transfer feature will only be possible where the transferee is at least 16 years of age at the date of registration of the transfer, unless an Account Guardian has been nominated. In the event that the owner is deceased, the transferee has not reached 16 years of age and an Account Guardian has not been nominated, the owner's estate representative will hold the investment on trust (on behalf of the child) until the child turns 16 years of age. Your estate's representative will not be able to revoke or amend your transfer request.

If the nominated transferee dies before the nominated future transfer date, ownership will remain with the registered owner.

Any initial and ongoing adviser fees attached to the investment will be discontinued as at the date of the transfer. Any existing Regular Savings Plan or Regular Withdrawal facility will also be discontinued.

If the transfer date is not a Melbourne business day, the transfer will be effective on the next Melbourne business day. The transfer will not be effective until the transferee has provided all identification requirements at the time of transfer, and, in the case that the transfer event is because of the death of the investment bond owner, after we have received official notification of the death of the last surviving investment bond owner.

The new investment bond owner will neither be able to transfer ownership of their investment nor use the investment as security (for example as part of a loan arrangement) where restrictions have been placed on access to funds by the original (transferor) investor.

Where a restriction on future withdrawals has been included as a condition of transfer, then the original (transferor) investor may seek confirmation from us that those conditions have been met.

By nominating a future dated event and transferee(s) under the Future Event Transfer facility you instruct us to arrange a transfer of ownership and administer the investment in accordance with the terms and conditions of the facility. You and the transferee(s) release us from any claims and indemnify us against all losses and liabilities arising from any payment or action we make based on the use of the Future Event Transfer facility and instructions we have received. You also agree that neither you, nor anyone claiming through you, have any claim against Generation Life or the investment bonds in relation to any payments or actions, including the cancellation of the facility or the variation of its terms and conditions.

ChildBuilder vesting terms

Transfers under the ChildBuilder vesting arrangement will only be possible where the nominated child is at least 16 years of age at the vesting date, unless an Account Guardian has been nominated. In the event that the owner is deceased, the nominated child has not reached vesting age and an Account Guardian has not been nominated, the owner's estate representative will hold the investment on trust (on behalf of the child) until vesting age is reached. Your estate's representative will not be able to revoke or amend your child's nomination. If an Account Guardian has been nominated, the Account Guardian will hold the investment until vesting age has been reached. The Account Guardian will not be able to revoke or amend your child's nomination.

Any initial and ongoing adviser fees attached to the investment will be discontinued as at the vesting date. Any existing Regular Savings Plan or Regular Withdrawal facility will also be discontinued.

If the vesting date is not a Melbourne business day, the vesting will be effective on the next Melbourne business day. The vesting will not be effective until the child has provided all identification requirements at the time of vesting. In the case of a transfer to the estate representative or Account Guardian because of the death of the ChildBuilder owner, we will require official notification of the death of the last surviving owner to process the transfer request, together with any identification documentation we require.

Bonds Custodian Trust

Only individuals can be the primary beneficiary(ies) of a bare trust established under the Bonds Custodian Trust facility. The commencement date of your bare trust will be the date that your LifeBuilder investment is transferred to your bare trust. If you choose to set up a Bonds Custodian bare trust to hold your LifeBuilder investment you acknowledge and agree that:

- Bonds Custodian Pty Ltd ('Bonds Custodian') is the trustee of the Bonds Custodian Trust and each of the sub-bare trusts established under the Bonds Custodian Trust deed
- your Bonds Custodian bare trust (once established) will hold your LifeBuilder investment applied for under the Application Form and you consent to the transfer of your investment to Bonds Custodian in its capacity as trustee of the Bonds Custodian Trust to hold on bare trust as your property
- the transfer of your investment to the Bonds Custodian Trust does not take effect until it is registered by Generation Life
- Bonds Custodian will hold your LifeBuilder investment bond on bare trust on the terms outlined in the Bonds Custodian Trust deed
- you authorise Generation Life to act as your agent for the purpose of completing the trust nomination schedule as required under the Bonds Custodian Trust deed consistent with the instructions provided in the Application Form
- you accept and agree to the terms outlined in the Bonds Custodian Trust deed
- in the event of the LifeBuilder investment's maturity and on payment of the LifeBuilder investment's proceeds, you release Bonds Custodian and Generation Life from all further obligations and liabilities in respect of the bare trust and the LifeBuilder investment

- you agree to indemnify and keep indemnified Bonds
 Custodian for liabilities incurred by Bonds Custodian,
 in the honest, proper and reasonable discharge of its
 obligations and duties as a trustee and in acting in
 accordance with this Product Disclosure Statement and
 any instructions under the bare trust application
- Bonds Custodian will not receive reports, statements or confirmations from Generation Life in respect of transactions relating to your LifeBuilder investment and that Bonds Custodian Trust has no role in respect of giving, receiving, activating or reporting to you on these matters
- if you have nominated a beneficiary(ies) under the EstatePlanner feature, your LifeBuilder proceeds will be dealt with in accordance with those instructions
- if you have not nominated a beneficiary(ies) under the EstatePlanner feature, your LifeBuilder proceeds will be dealt with and distributed by your estate representative.

Direct debit

You can authorise us in your Application Form to debit investment amounts directly from your nominated Australian financial institution account. We are unable to debit a third-party account, therefore you must be a party to the bank account selected for direct debits. For joint investors, at least one investor must be a party to the nominated account.

We will initiate direct debit drawings automatically upon acceptance of your instruction and we will not advise you beforehand. To avoid potential dishonours by your financial institution and any associated charges, it is your responsibility to ensure that:

- direct debit is available from any account you nominate;
- your selected account has sufficient funds available to meet any authorised direct debits.

Please refer to the Additional Information booklet for details of the direct debit service agreement.

How your investment is valued

When you invest, you are allocated a number of units in each investment option you have selected. Each of these units represents an equal part of the market value of the portfolio of investments that the investment option holds. As a result, each unit has a dollar value or 'unit price'.

The unit price is calculated by taking the total market value of all of an investment option's assets on a particular day, adjusting for any liabilities, accruals and provisions (including tax provisions) and then dividing the investment option's net value by the total number of units held by all investors on that day.

Although your unit balance in an investment option will stay constant (unless there is a transaction on your account), the unit price will change, according to changes in the market value of the investment portfolio, provisions or accruals or the total number of units issued for the option.

We determine the market value of each investment option based on the most recently available information we have. We may exercise certain discretions that could affect the unit price of units on application or withdrawal in each investment option (such as determining transaction costs and buy-sell spreads). Our Unit Pricing Discretion Policy sets out the principles we follow when exercising these discretions.

Refer to the Additional Information booklet for the buy-sell spreads that apply to each investment option.

Updating information

We may change any of the terms and conditions contained or referred to in the Product Disclosure Statement, subject to compliance with the product rules and laws and, where a change is material, we will notify you in writing within the timeframes provided for in the relevant legislation. Information contained in this Product Disclosure Statement that is not materially adverse information is subject to change from time to time and may be updated via our website and can be found at any time by visiting our website. A paper copy of any updated information is available free of charge on request by contacting us on 1800 806 362. The offer made in the Product Disclosure Statement is available to persons receiving the Product Disclosure Statement within Australia only.

Privacy policy

We respect and uphold your rights to privacy protection and we have measures in place governing how we collect, hold, use and disclose your personal information. These matters are governed by our Privacy Policy, which covers information such as:

- your name, contact details, identification information and banking details; or
- transactions and dealings with us, or with our related entities.

Further information about our Privacy Policy is contained in the Additional Information booklet.

Your cooling-off rights

You have rights called 'cooling-off' that allow you to cancel your initial application by written notice within 14 days (unless a longer period applies based on specific State or Territory legislation).

The cooling-off period starts the earlier of (unless specified otherwise by your State or Territory legislation):

- the date you receive your confirmation of investment from us; or
- the end of the fifth day after we formally accept your application by issuing units in your selected investment options.

If you cancel your initial application, the amount we will return to you will be adjusted for any changes in the unit prices of the investment options that you have invested in, less any reasonable transaction costs or taxes or duties that are not recoverable by us. The timing of a payment to you as a result of you exercising your cooling-off rights will be subject to the availability of funds and any withdrawal rules that may apply to any investment options chosen. If the amount returned to you exceeds the amount invested, the excess will be assessable for tax.

In the case of the FuneralBond, some States or Territories provide for a processing fee to be deducted and payable to a funeral director (where the FuneralBond had been assigned to them) in accordance with the relevant legislation.

Cooling-off provisions do not apply to contributions made using the Regular Savings Plan, investment switches and additional investments. Please note that the cooling-off period will lapse if you transact on your investment within the cooling-off period.

Complaints resolution

You should notify us in writing if you have a complaint. We will acknowledge receipt of your complaint and aim to resolve it within 30 days. We will write to you to explain our decision and any further avenues of recourse. We are a member of the Australian Financial Complaints Authority ('AFCA'), an independent body established to resolve complaints in the financial services industry.

If we have not resolved your complaint within a reasonable time or you are not satisfied with our determination of your complaint, you can refer the matter to AFCA for resolution. Contact details for AFCA are:

Australian Financial Complaints Authority

GPO Box 3, Melbourne, Victoria 3001 www.afca.org.au Telephone 1800 931 678

Related parties

Generation Life reserves the right to outsource any or all of its investment management and administration functions, including to related parties, without notice to investors. All related party transactions entered into will be in accordance with relevant laws and be made subject to arms-length and commercial terms.

Licensing and regulation

Generation Life is a registered life insurance company under the Life Insurance Act 1995 ('Life Act') and is also an Australian financial services licence holder under the Corporations Act.

We and the investment bonds offered under this Product Disclosure Statement are subject to regulation by APRA and ASIC. Our operations and the operations of the investment bonds are governed by the product rules ('Product Rules'), the Life Act and the Corporations Act.

Product Rules and security

The Product Rules govern the operation of the investment bonds and the investment options; they have been approved by APRA. Each investment option is constituted as a separate benefit fund under the Product Rules.

Each benefit fund is held separate and distinct from other benefit funds and the assets of Generation Life. Each benefit fund is therefore quarantined and protected from any potential adverse positions that may impact either us or any of the other benefit funds.

The Product Rules provide us with certain rights and powers, including (but not limited to):

- the types of investment and investment bonds that we can issue
- how the investment options (benefit funds) are established, valued and priced, as well as how they operate
- how applications are made and any conditions attached, including the power to accept or not accept applications and transfer/assignment requests at our discretion
- the ability to accept or defer an application to change the vesting age under a ChildBuilder investment
- · imposing conditions or restrictions on withdrawals
- determining taxation treatments, provisions and allocations to and between the benefit funds.

Any changes to the Product Rules must be approved by APRA.

Your contract with us

By us approving your investment application, you enter into a contract with us. That contract is formed when we accept your investment application. The terms of your contract with us comprise the terms and conditions contained in your investment application, the Product Rules and this or any future Product Disclosure Statement or disclosure document issued.

Investment manager benefits

Where allowed by law, we may receive certain benefits in the form of payments or rebates from underlying investment managers of the investment options. We may use these to reduce the management fees you pay, or they may be retained by us in our general management fund.

Tax credits

The Product Rules provide for the benefit of tax credits related to certain costs where we have sought reimbursement to be passed onto the relevant investment option. Depending on the nature, size and origins of reimbursable costs not specifically specified under the Product Rules, the benefit of the tax credit (whatever its source) is able to be realised by us and allocated at our discretion to investment options and/or retained by us in our general management fund.

Consents

Each of the investment managers referred to in the Investment Options booklet has given and not withdrawn their consent before the date of this Product Disclosure Statement to the inclusion of the description of the investment options and the investment managers in the form and context that they have been named.

Your liability

Investors are not under any personal obligation to indemnify Generation Life (or its creditors) in respect of our liabilities in relation to the investment bonds, investment options, or the underlying investment managers.

Anti-money laundering legislation and financial crimes monitoring

We are bound by laws regarding the prevention of money laundering and the financing of terrorism as well as sanctions obligations, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. As part of meeting our obligations, you are required to confirm and agree to certain terms and conditions which can be found in the Additional Information booklet.

FATCA & CRS requirements under Automatic Exchange of Information

The Foreign Account Tax Compliance Act ('FATCA') is designed to counter United States of America (US) income tax avoidance by US persons investing in assets outside the US, including through their investments in Foreign Financial Institutions. FATCA requires reporting of US persons' direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service ('IRS').

The Australian Government has entered into an Inter-Governmental Agreement ('IGA') with the US Government for the reciprocal exchange of taxpayer information. Under this IGA, Financial Institutions operating in Australia report information to the Australian Taxation Office ('ATO') rather than the US IRS. The ATO may then pass the information on to the US IRS.

The Common Reporting Standard ('CRS') is an information-gathering and reporting requirement for Financial Institutions in participating countries/jurisdictions, to promote a reduction in offshore tax evasion and protect the integrity of tax systems.

Under the CRS, Financial Institutions are required to identify customers who appear to be tax resident outside of the country/jurisdiction where they hold their investments and report certain information to the ATO. The ATO may then share that information with the tax authority of the county/jurisdiction where these customers are a tax resident.

Australian Financial Institutions, such as Generation Life, are required to comply with both FATCA and CRS obligations. As part of meeting our obligations, you are required to confirm and agree to certain terms and conditions, which can be found in the Additional Information booklet.



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