



Outthinking today.

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## Help your clients avoid the most expensive mistake retirees can make

LifelIncome - investment-linked lifetime annuity



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## Discover Generation Life

Pioneer of Australia's first truly flexible investment bond. Over \$3b invested with us to date.<sup>1</sup> Proud to be innovating the retirement income landscape with an investment-linked lifetime annuity.

### Specialist provider

Investment bonds and investment-linked lifetime annuity

### Market leader

#1 provider of investment bond solutions with 52% market share of total inflows into investment bonds<sup>2</sup>

### Innovation focused

Tax aware investing, estate planning and retirement income landscape

### Trusted

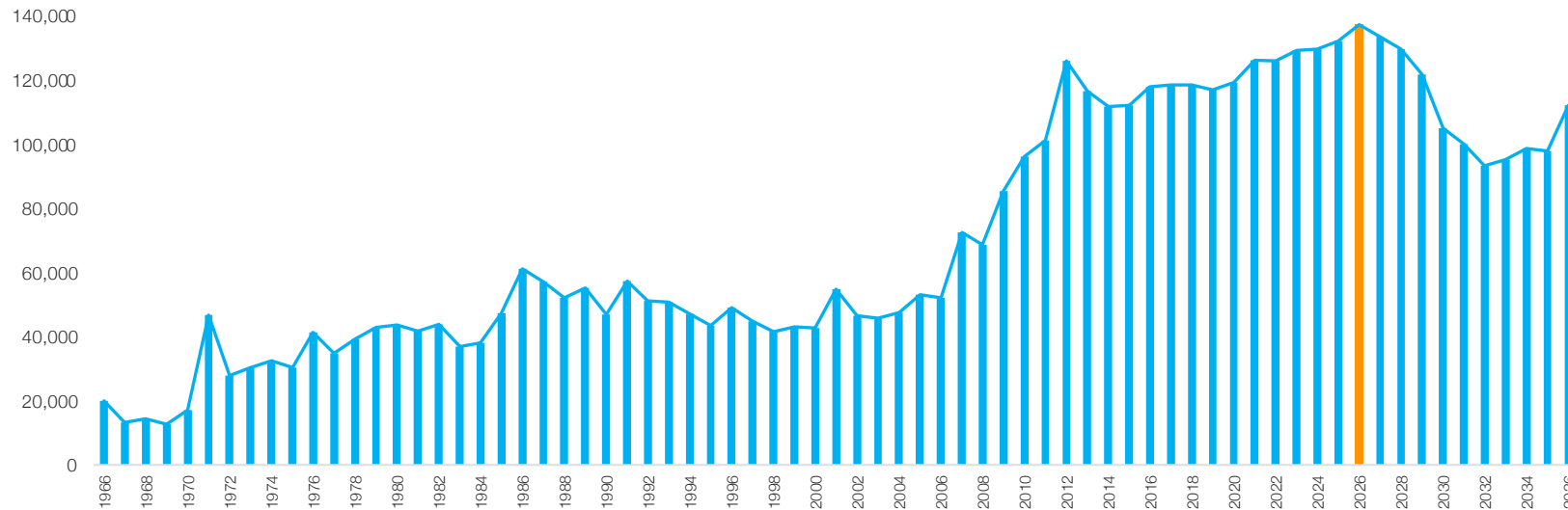
APRA regulated and our parent company is listed on the ASX

1. As at 31 December 2023  
2. Plan for Life, Investment Bonds Market Report for period ended 30 September 2023



## Surge in the retiree population is caused by the great baby boom of the 1950s

**Boomer's retirement mountain:** Net annual change in Australian population 65+



### 1990s

65-and-over population increased by an average of around 40,000 per year<sup>1</sup>

### 137,000 per year in 2026

65-and-over population reached 126,000 per year in 2021, expected to peak at 137,000 per year in 2026<sup>1</sup>

1. Salt, B, 2021, "Turning point: the 2020s baby boom retirement surge", published in Firstlinks on 24 March 2021, <https://www.firstlinks.com.au/turning-point-2020s-baby-boom-retirement-surge>

# The growing demand for advice for your older clients

Did you know...

Population aged over  
65 set to double<sup>1</sup>

Population aged over  
85 set to triple<sup>1</sup>

3rd highest<sup>4</sup>

Life expectancy in Australia  
compared to the world

\$72 billion<sup>3</sup>

Expected Age Pension  
expenditure by 2025-2026

63%<sup>2</sup>

of Australians of pension age  
receive some Age Pension

Over 2.6m<sup>2</sup>

Australians of pension age are  
in receipt of Age Pension

>800k<sup>2</sup>

Australians of pension age are  
not in receipt of the Full  
Pension

1.8m<sup>5</sup>

Australians of pension age get  
no pension at all

1. Intergenerational Report 2023 (estimated over the next 40 years)
2. <https://www.aihw.gov.au/reports/australias-welfare/income-support-older-australians>
3. [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BriefingBook45p/WelfareCost](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/WelfareCost)
4. <https://www.abs.gov.au/statistics/people/population/life-expectancy/latest-release>
5. <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/jun-2023>

## The cost of not applying for the Age Pension on time

**2.3 years**

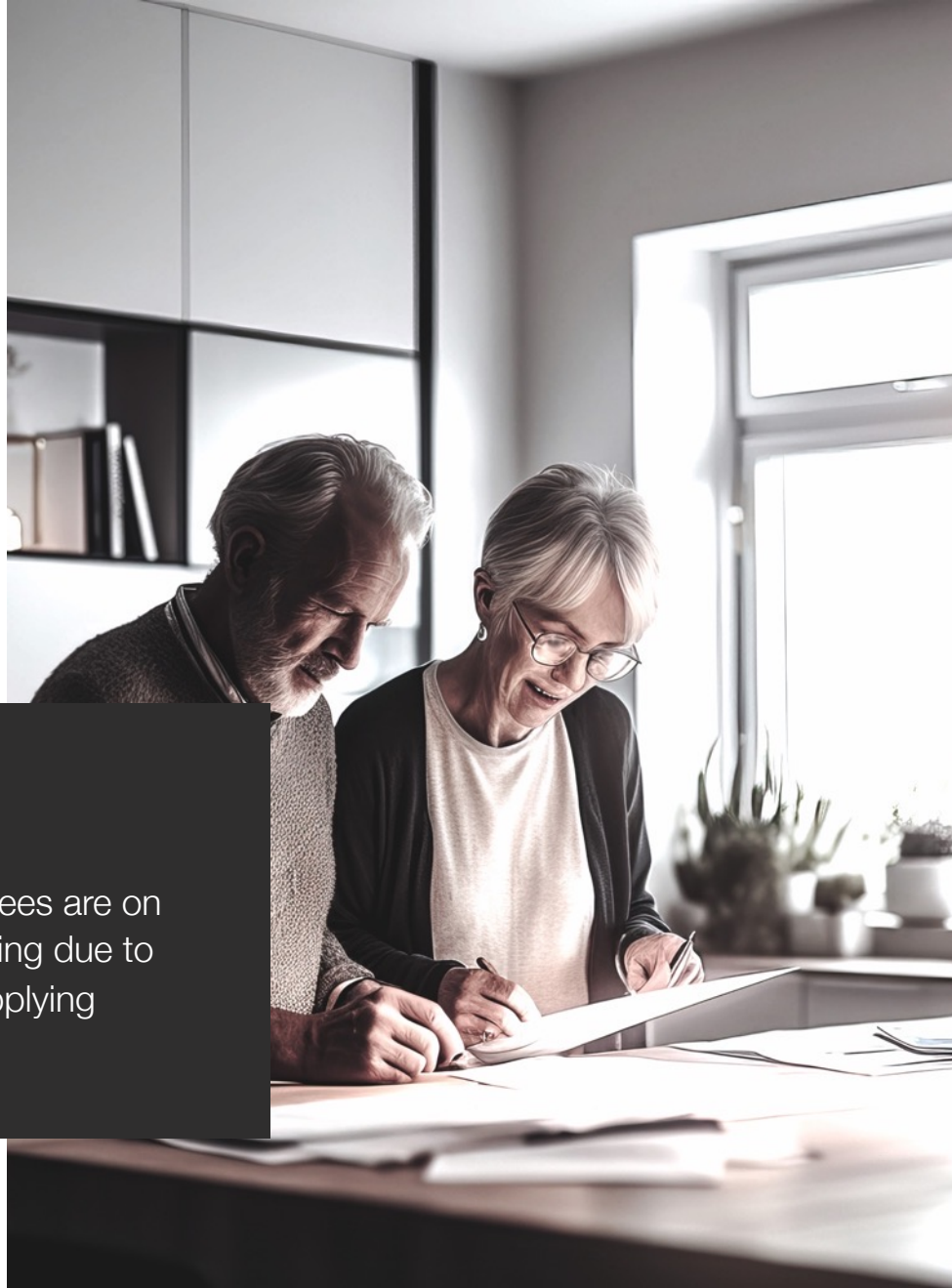
Average time Australians apply for the Age Pension after they become eligible

**\$37,000**

Single retirees are on average losing due to delays in applying

**\$60,000**

Couple retirees are on average losing due to delays in applying



Source: The most expensive mistake retirees can make, SuperEd, published 2015





## Qualifying for at least \$1 of pension...

### What are the social security benefits?

### Water and Sewage discounts

Approximately \$328.90 p.a.

### Local council rates

Approximately \$235.15 p.a.

### Vehicle registration

50% reduction on the motor vehicle registration fee component

### Pharmaceutical Benefits Scheme

Estimated savings of up to \$2,500 a year<sup>1</sup>

### Other typical benefits

Such as public transport concessions and bulk billing

1. <https://www.afr.com/wealth/personal-finance/how-retirees-can-save-more-than-3000-a-year-20221130-p5c2n1>

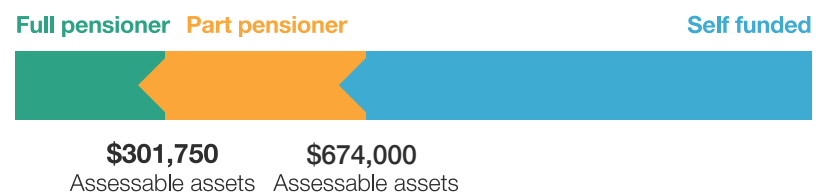
# Age Pension guide as at 20 March 2024

## Maximum Age Pension Rates

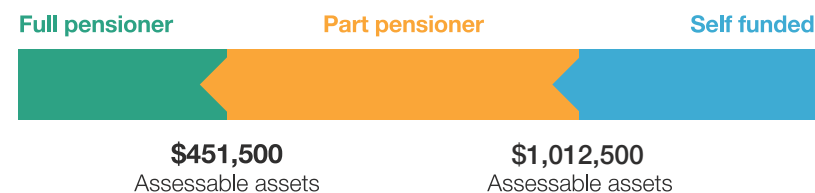
	Total (per fortnight)	Total (per year) <sup>1</sup>
Single <sup>2</sup>	\$1,116.30	\$29,023.80
Couple (Combined)	\$1,682.80	\$43,752.80

## Assets test

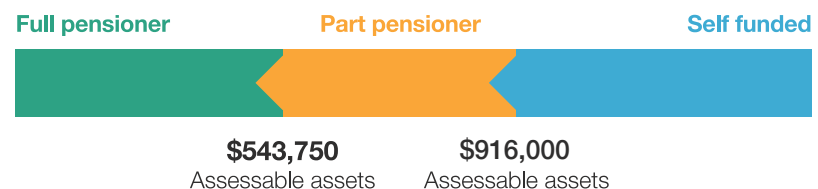
### Single - Homeowner



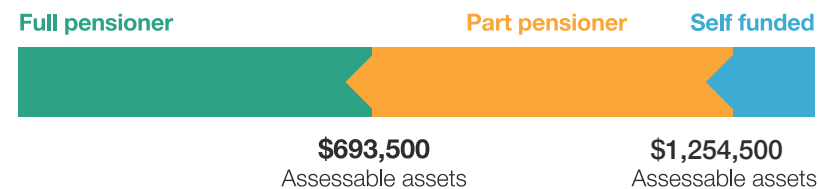
### Couple (combined) - Homeowner



### Single - Non-Homeowner



### Couple (combined) - Non-Homeowner

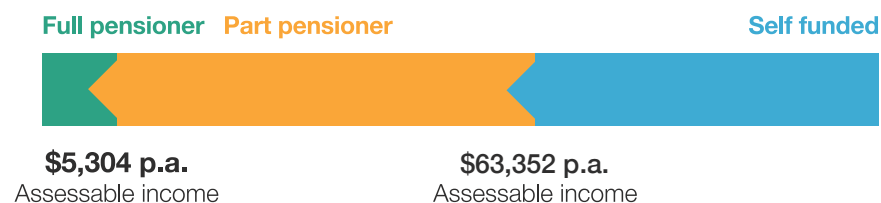


1. Annual amounts are approximate
2. Applies to each member of a couple separated by illness

# Age Pension guide as at 20 March 2024

## Income test

### Single



### Couple (combined)



	0.25% deeming rate	2.25% deeming rate
<b>Singles</b>	Up to \$60,400	Portion over \$60,400
<b>Couples</b>	Up to \$100,200 (combined)	Portion over \$100,200

## Deemed assets to income

Deemed Assets	Assessable Income	
	Single	Couple (combined)
\$100,000	\$1,042	\$250
\$200,000	\$3,292	\$2,496
\$300,000	\$5,542	\$4,746
\$400,000	\$7,792	\$6,996
\$500,000	\$10,042	\$9,246
\$600,000	\$12,292	\$11,496
\$700,000	\$14,542	\$13,746
\$800,000	\$16,792	\$15,996
\$900,000	\$19,042	\$18,246
\$1,000,000	Ineligible	\$20,496
\$1,100,000	Ineligible	\$22,746
\$1,200,000	Ineligible	\$24,996
\$1,300,000	Ineligible	Ineligible

Homeowner  
assets test  
threshold

Non-homeowner  
assets test  
threshold







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## Discover LifeIncome

Investment-linked lifetime annuities reimagined

## LifeIncome

Innovations to lifetime annuities providing choice and flexibility

### An income guaranteed for life

Higher starting income with LifeBooster and more cumulative income sooner

### Investment choice and switching at anytime<sup>1</sup>

Across all major asset classes including purpose-built investment options

### Reversionary beneficiary

Option for reversionary percentage

### Death benefit

Protect your spouse / loved one

1. Brief exclusion period applies – refer to the Product Disclosure Statement

## 6 core uses of LifeIncome

1.

Age Pension and ancillary benefits

2.

Minimising the impact of an inheritance on your Age Pension benefits

3.

Providing peace of mind to spend in retirement and avoiding 'regret risk'

4.

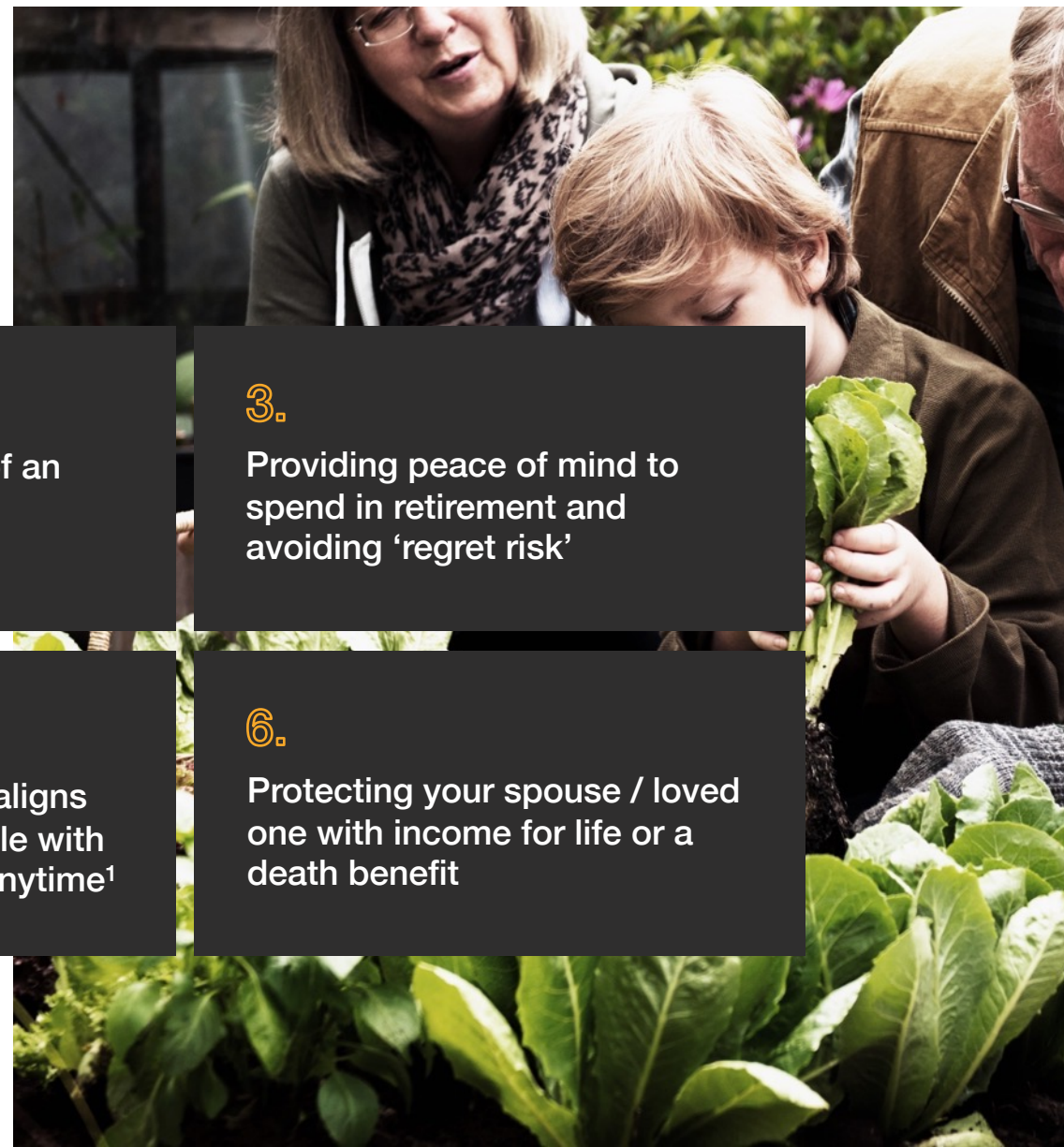
Income layering alongside account-based pension and Age Pension

5.

Investment choice that aligns to your client's risk profile with the ability to switch at anytime<sup>1</sup>

6.

Protecting your spouse / loved one with income for life or a death benefit



1. Brief exclusion period applies – refer to the Product Disclosure Statement





## Centrelink treatment of LifeIncome

### Means tested asset value

60% of your investment amount. From age 84, only 30% is assessed (subject to a minimum of 5 years)

### Means tested income

Only 60% of your LifeIncome annual income

LifeIncome is defined as an 'Asset-tested income stream (lifetime)' product for social security purposes. All decisions regarding social security benefits for individuals who purchase LifeIncome will be made by Centrelink or the Department of Veterans' Affairs officers based on social security law and the circumstances of the individual at the time of claim. Based on current social security law, reducing Age Pension by \$3 for every \$1,000 of assets over lower threshold.

### For every \$200,000 invested in LifeIncome

Assessable assets	Reduce by \$80,000
Age Pension uplift*	\$6,240 p.a.
Risk free return*	3.12%

\*Assuming eligibility



## 8 facts about investment-linked lifetime annuities

**Myth:**

I will lose all of my investment if I pass away early

**Myth:**

The provider will default

**Myth:**

Annuities don't offer value for money

**Myth:**

Annuities are fixed income products

**Myth:**

Annuities are too complex

**Myth:**

High tax rates that diminish overall returns

**Myth:**

Annuities are inflexible

**Myth:**

No access to capital



## 8 facts about investment-linked lifetime annuities

**Fact:**

All lifetime annuities offer a death benefit

**Fact:**

All lifetime annuity providers are regulated by APRA

**Fact:**

Designed to provide more cumulative income sooner and higher starting income that grows over time

**Fact:**

A wider range of investment options across a major asset classes

**Fact:**

Simple to manage once your investment has been set up

**Fact:**

All the funds are invested in tax free environments whether the annuity is purchased with non-super or super monies

**Fact:**

Investment-linked lifetime annuities offer more choice and flexibility

**Fact:**

Withdrawal benefit available





## 6 key differences to CPI linked lifetime annuities

Higher starting income

Starting income doesn't change

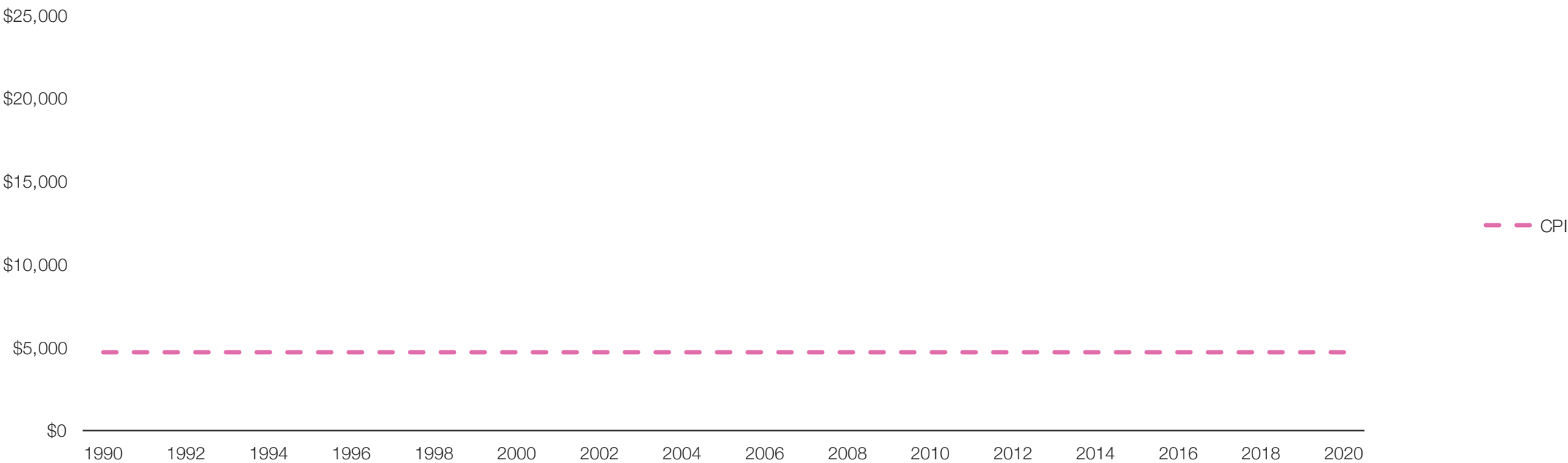
Potential for more cumulative income

Flexibility to change investment outcome

Ongoing adviser involvement

Income redistribution rate

# Real Annual Income – 30 years of returns



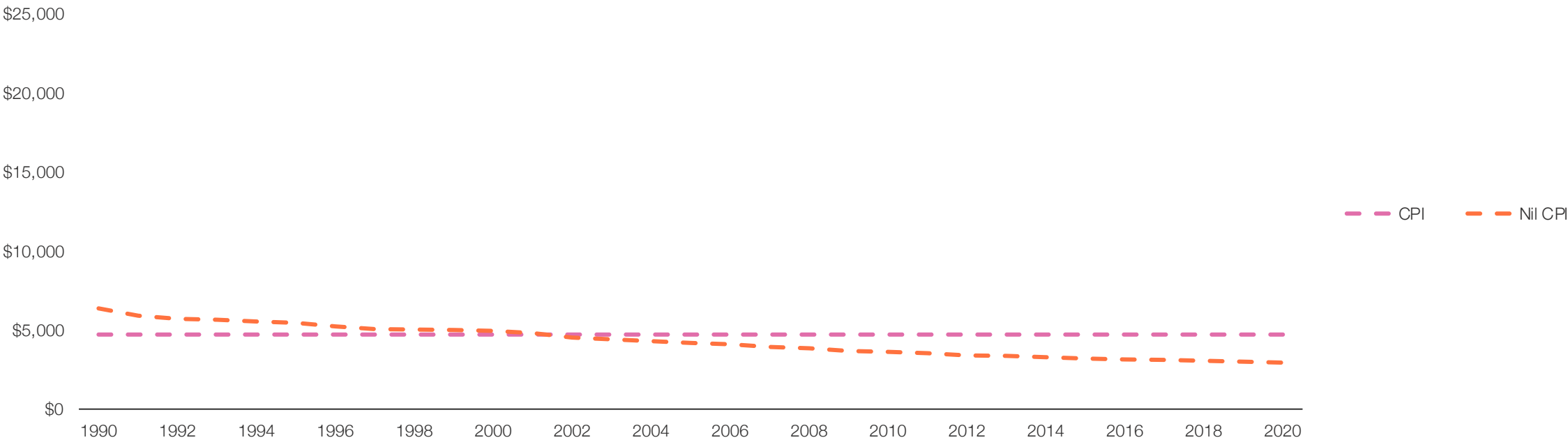
## Real Cumulative Income

	CPI
5 year	\$24,875
10 year	\$49,750
15 year	\$74,625
20 year	\$99,500
30 year	\$149,250

**Assumptions:** Starting income is based on a 65-year-old female commencing LifeIncome with \$100,000 and a LifeBooster rate of 2.5%. The graph shows performance of a LifeIncome policy under the historical performance of various asset classes. Estimated fees, expenses and costs of 0.92% p.a. Past performance is no indication of future performance. This illustrates until age 100 only, however LifeIncome will pay your client an income for life. The starting incomes of the CPI and Nil CPI traditional annuities are based on the latest available rate as at 09/02/2024 commencing with \$100,000. Performance of the CPI Linked Annuity is based on historical CPI of the respective period. All income is discounted by CPI of the respective period.



# Real Annual Income – 30 years of returns



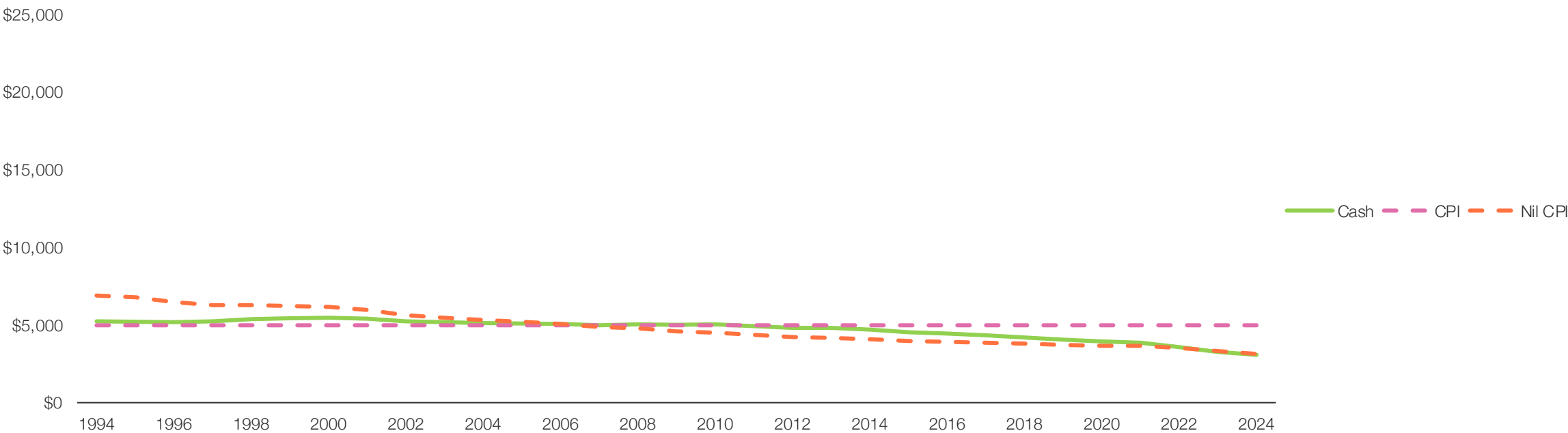
## Real Cumulative Income

	CPI	Nil CPI
5 year	\$24,875	\$32,666
10 year	\$49,750	\$62,083
15 year	\$74,625	\$87,328
20 year	\$99,500	\$109,170
30 year	\$149,250	\$146,593

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# Real Annual Income – 30 years of returns



## Real Cumulative Income

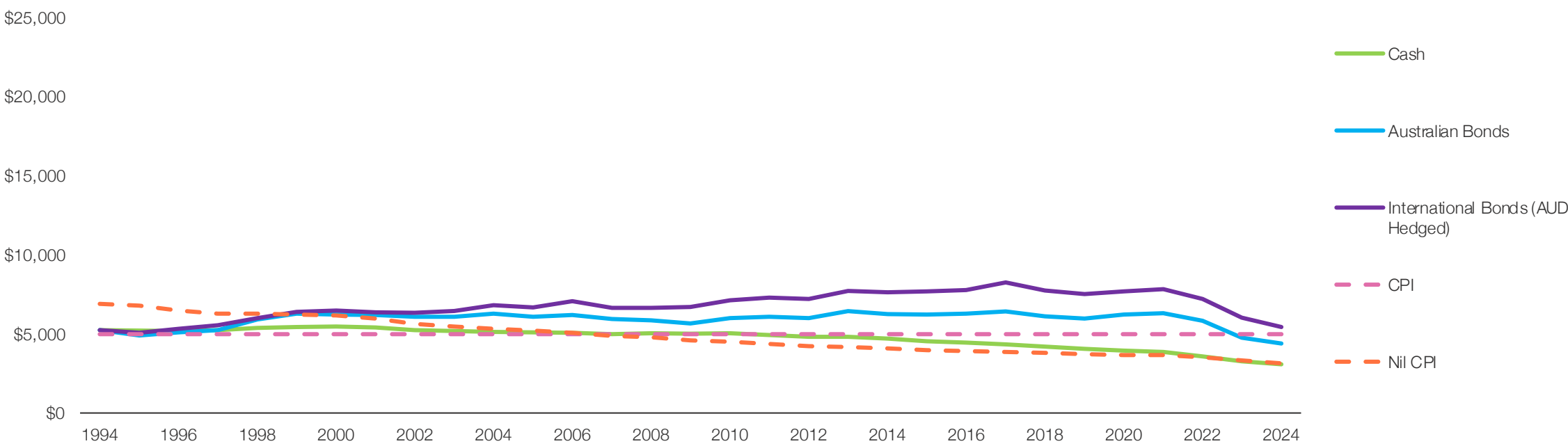
	CPI	Nil CPI	Cash
5 year	\$24,875	\$32,666	\$26,192
10 year	\$49,750	\$62,083	\$52,898
15 year	\$74,625	\$87,328	\$78,179
20 year	\$99,500	\$109,170	\$102,772
30 year	\$149,250	\$146,593	\$143,668

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# Real Annual Income – 30 years of returns



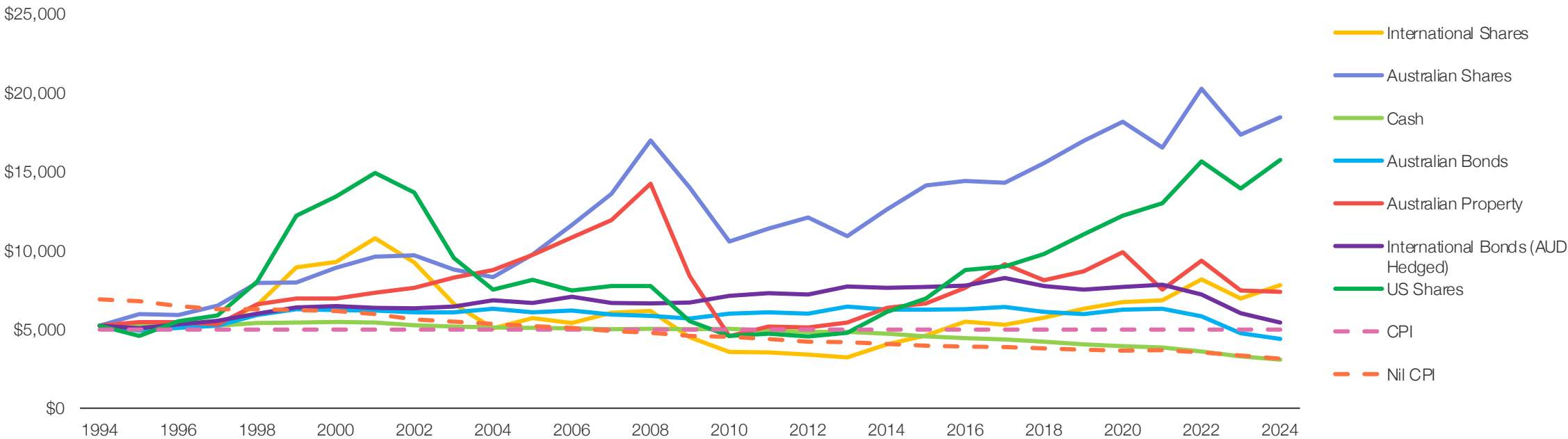
## Real Cumulative Income

	CPI	Nil CPI	Cash	Australian Bonds	International Bonds (AUD Hedged)
5 year	\$24,875	\$32,666	\$26,192	\$26,329	\$27,128
10 year	\$49,750	\$62,083	\$52,898	\$57,136	\$59,107
15 year	\$74,625	\$87,328	\$78,179	\$87,449	\$92,917
20 year	\$99,500	\$109,170	\$102,772	\$117,580	\$128,917
30 year	\$149,250	\$146,593	\$143,668	\$177,888	\$204,146

**Assumptions:** Starting income is based on a 65-year-old female commencing LifeIncome with \$100,000 and a LifeBooster rate of 2.5%. The graph shows performance of a LifeIncome policy under the historical performance of various asset classes. Estimated fees, expenses and costs of 0.92% p.a. Past performance is no indication of future performance. This illustrates until age 100 only, however LifeIncome will pay your client an income for life. The starting incomes of the CPI and Nil CPI traditional annuities are based on the latest available rate as at 09/02/2024 commencing with \$100,000. Performance of the CPI Linked Annuity is based on historical CPI of the respective period. All income is discounted by CPI of the respective period.



# Real Annual Income – 30 years of returns



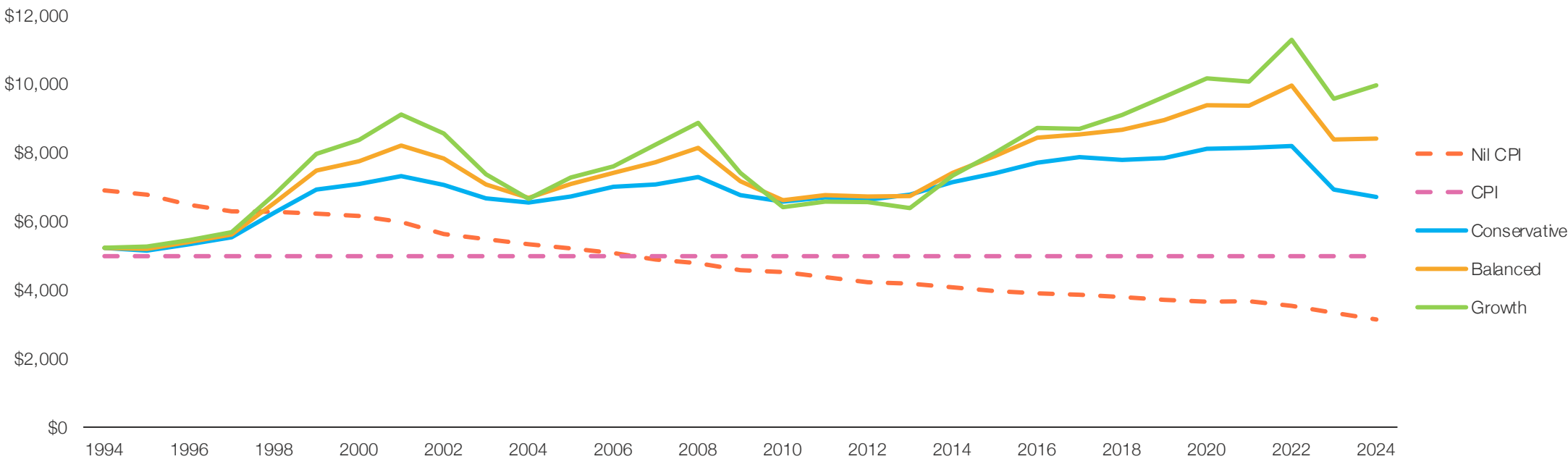
## Real Cumulative Income

	CPI	Nil CPI	Cash	Australian Bonds	International Bonds (AUD Hedged)	Australian Property	US Shares	International Shares	Australian Shares
5 year	\$24,875	\$32,666	\$26,192	\$26,329	\$27,128	\$27,983	\$29,188	\$27,194	\$31,500
10 year	\$49,750	\$62,083	\$52,898	\$57,136	\$59,107	\$65,044	\$92,805	\$71,937	\$76,386
15 year	\$74,625	\$87,328	\$78,179	\$87,449	\$92,917	\$120,403	\$131,369	\$100,301	\$136,527
20 year	\$99,500	\$109,170	\$102,772	\$117,580	\$128,917	\$148,963	\$155,477	\$118,479	\$195,378
30 year	\$149,250	\$146,593	\$143,668	\$177,888	\$204,146	\$229,621	\$261,673	\$178,531	\$355,287

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# Real Annual Income – 30 years of returns



## Real Cumulative Income

	CPI	Nil CPI	Conservative	Balanced	Growth
5 year	\$23,545	\$29,170	\$28,076	\$27,797	\$27,734
10 year	\$47,090	\$54,921	\$63,952	\$64,945	\$65,043
15 year	\$70,635	\$77,888	\$106,287	\$110,456	\$111,576
20 year	\$94,180	\$97,600	\$143,259	\$154,626	\$163,434
30 year	\$141,270	\$130,232	\$210,019	\$241,915	\$257,332

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Providing more income, sooner...



## Retiree behaviour

Most retirees **only drawdown the Government mandated minimum** from their account-based pension<sup>1</sup>

### Living too frugally

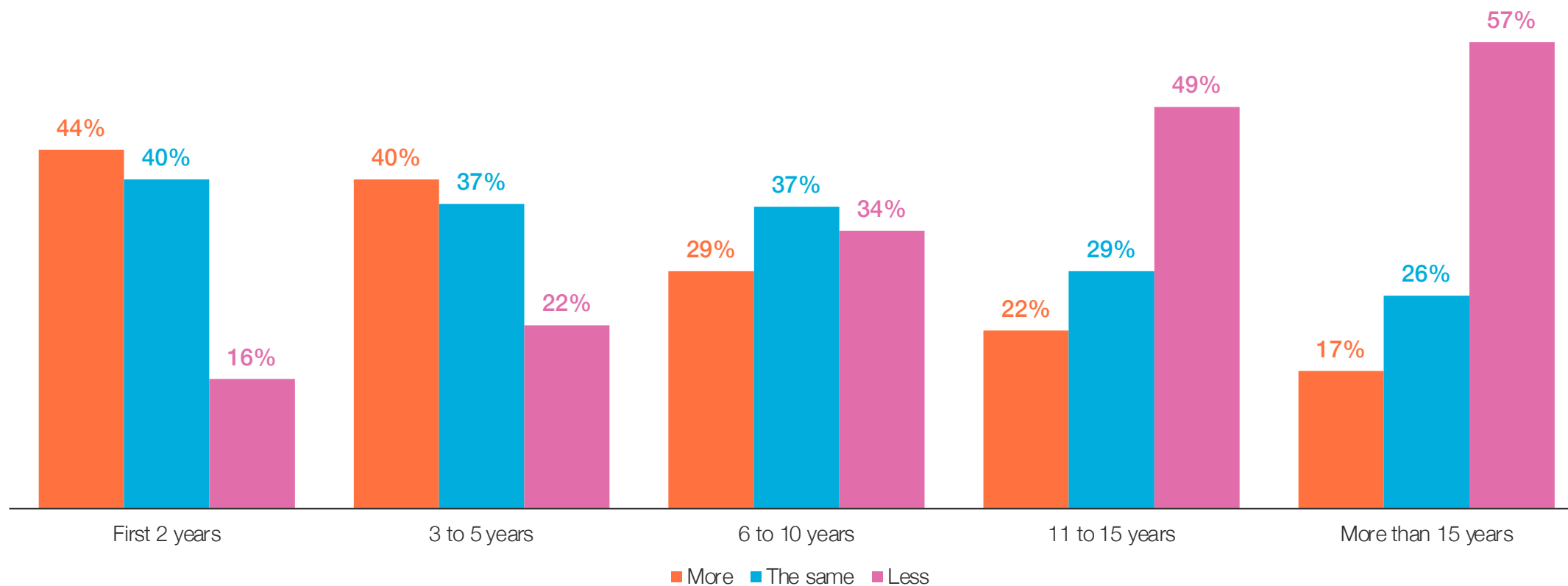
Passing away with most of their super intact, without spending their retirement savings<sup>1</sup>

Retirees with lifetime annuities effectively **double the amount they are willing to spend** each year, on themselves and their families<sup>2</sup>

1. Australian Government, The Treasury, Retirement Income Review - Final Report, issued November 2020, <https://treasury.gov.au/publication/p2020-100554>
2. MarketWatch, Opinion: Retirees with annuities have more fun, August 2021

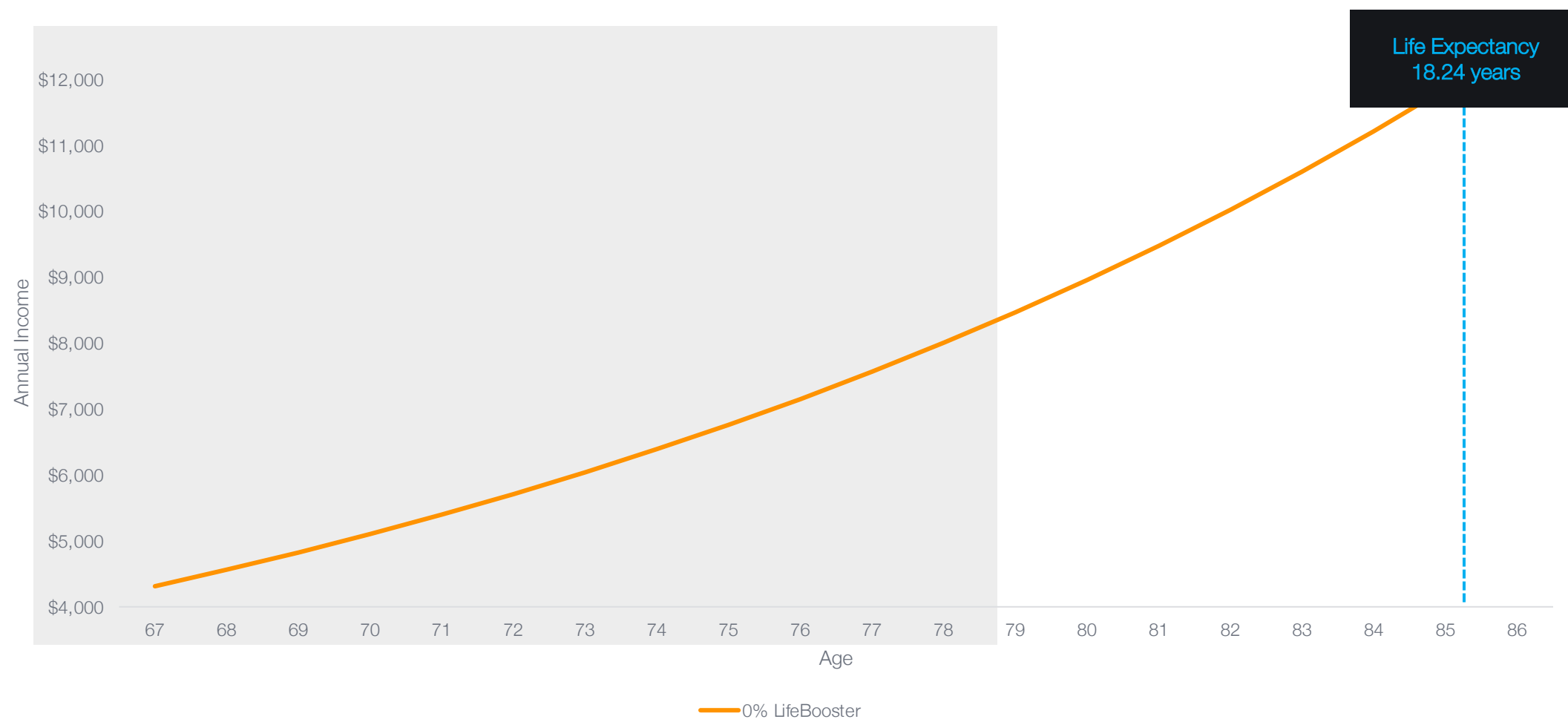
## Retirees want to spend more in retirement

More than two in five expect to spend more than their current income in the earlier years of retirement.



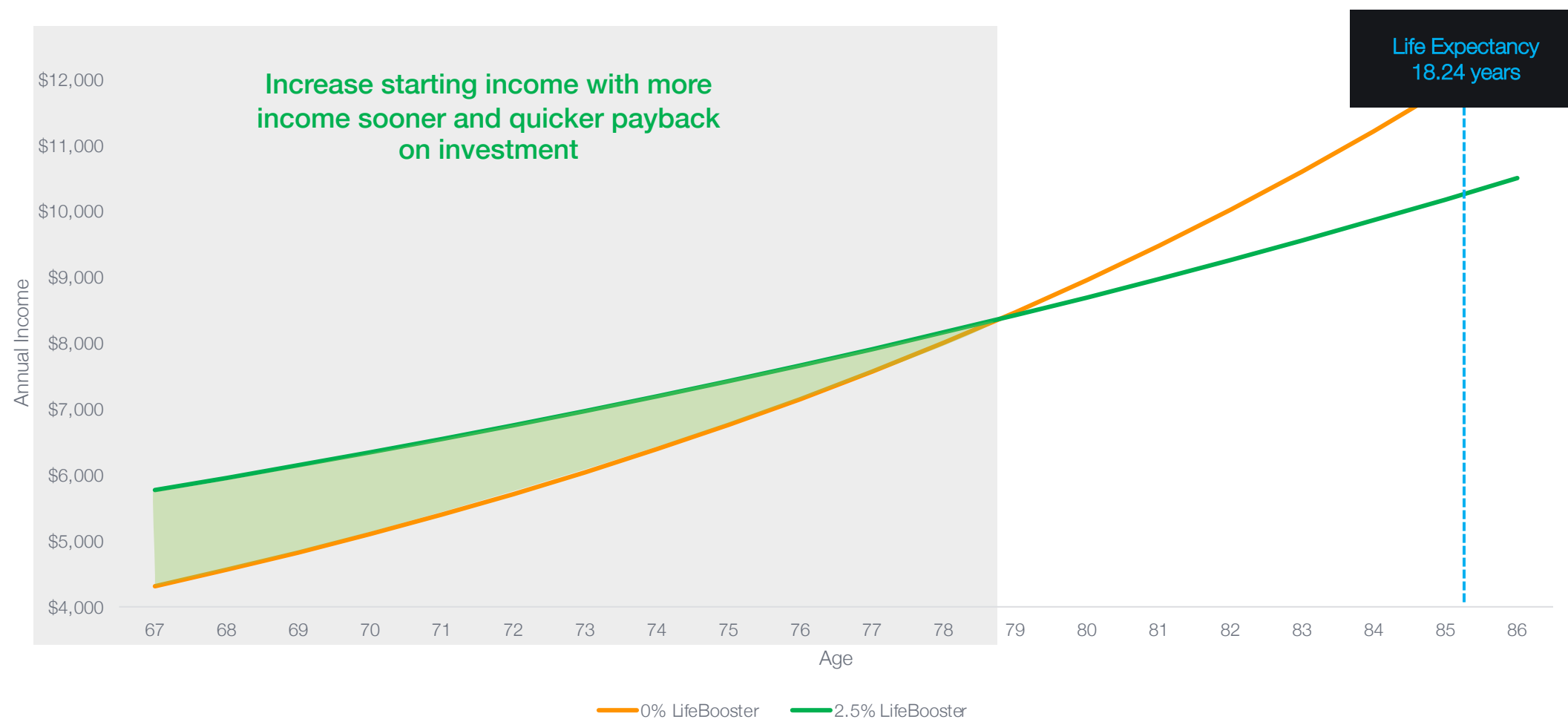
Based on results of survey(s) by Generation Life and CoreData described in the Funding a dignified retirement and leaving a legacy research summary 2023.

## The concept of LifeBooster



**Assumptions:** Male 67 years old, an initial investment \$100,000 with a LifeBooster rate of 2.5%. Estimated total fees, expenses and costs of 1.22% p.a. Gross investment return of 7% p.a. assumed and is not adjusted for inflation/CPI. Past performance is no indication of future performance. In this example LifeIncome without LifeBooster would pay more annual income only after the investor exceeds 79 years old for for LifeBooster 2.5% rate.

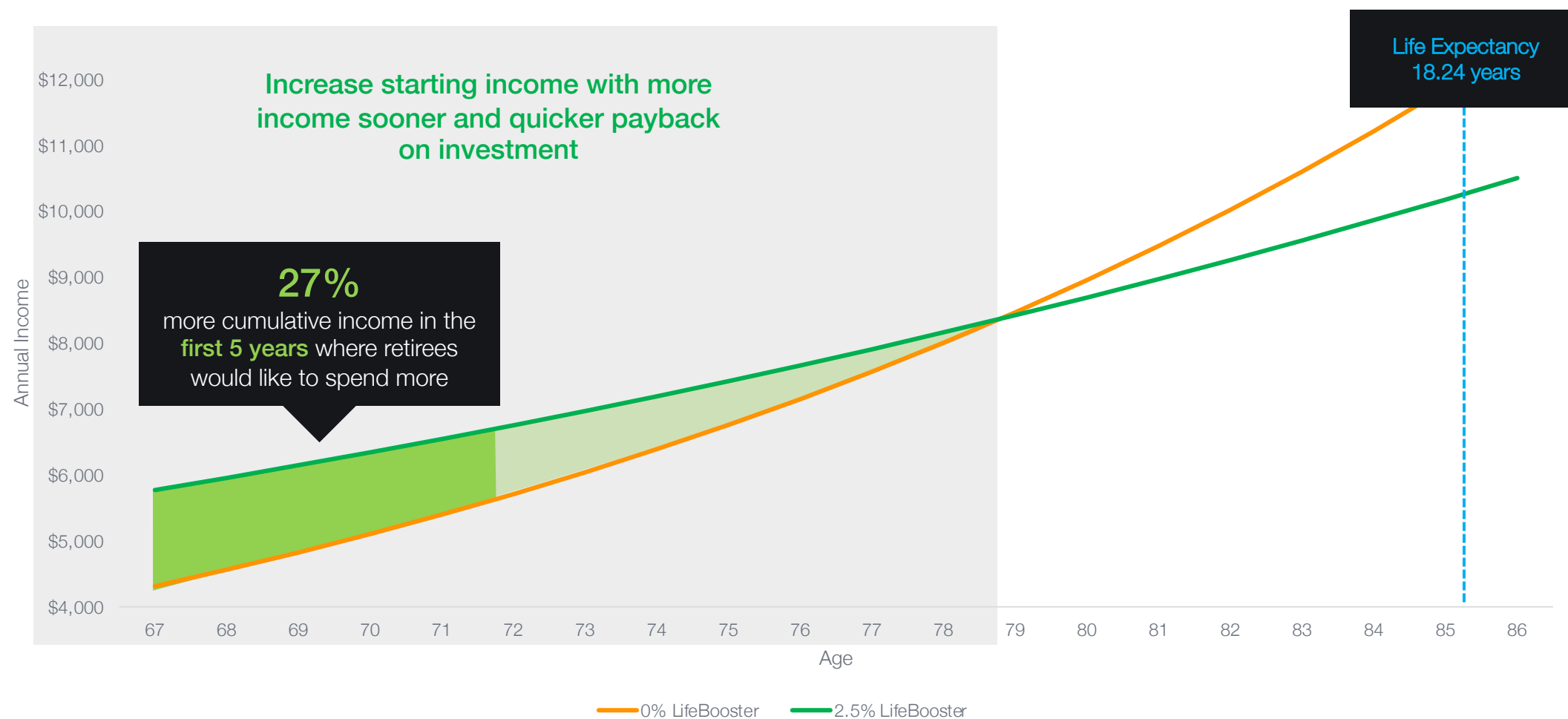
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## Case study

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# Qualifying and bringing forward Age Pension and ancillary benefits sooner

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## Meet Susan...

Susan is 66 years old, single and a homeowner.

### Susan would like to...

- Spend more time on her hobbies
- She loves going on cruises and having dinners out with her friends





## Susan's situation...

### Susan currently has...

Superannuation balance	\$750,000
Savings	\$90,000
Personal assets	\$10,000



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## Susan's objectives...

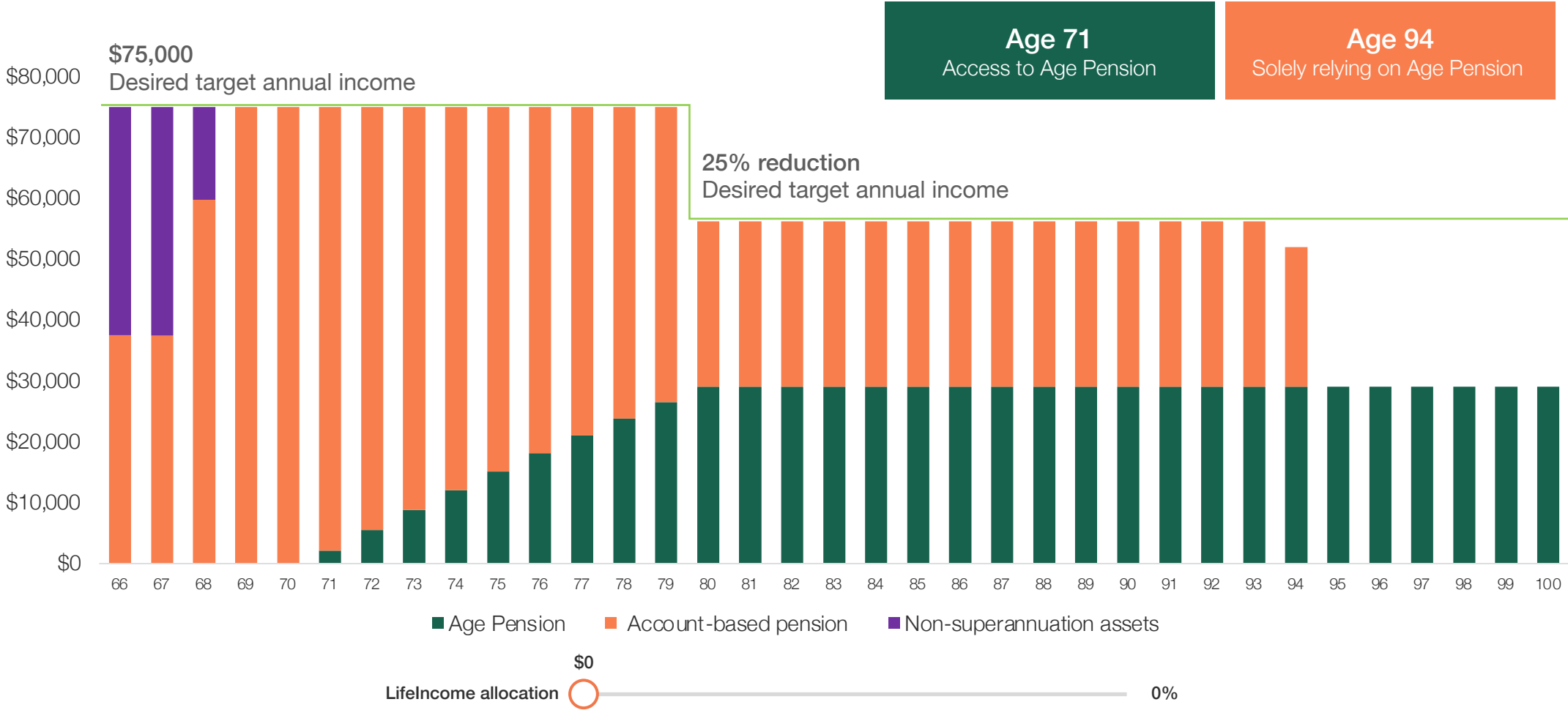
### Susan would like to...

- Be proactive and access the Age Pension sooner to maintain her desired lifestyle
- Wants certainty that she won't run out of money
- Doesn't want to solely rely on the Age Pension
- Doesn't want to burden her loved ones with funeral costs

**Susan speaks to her financial adviser**



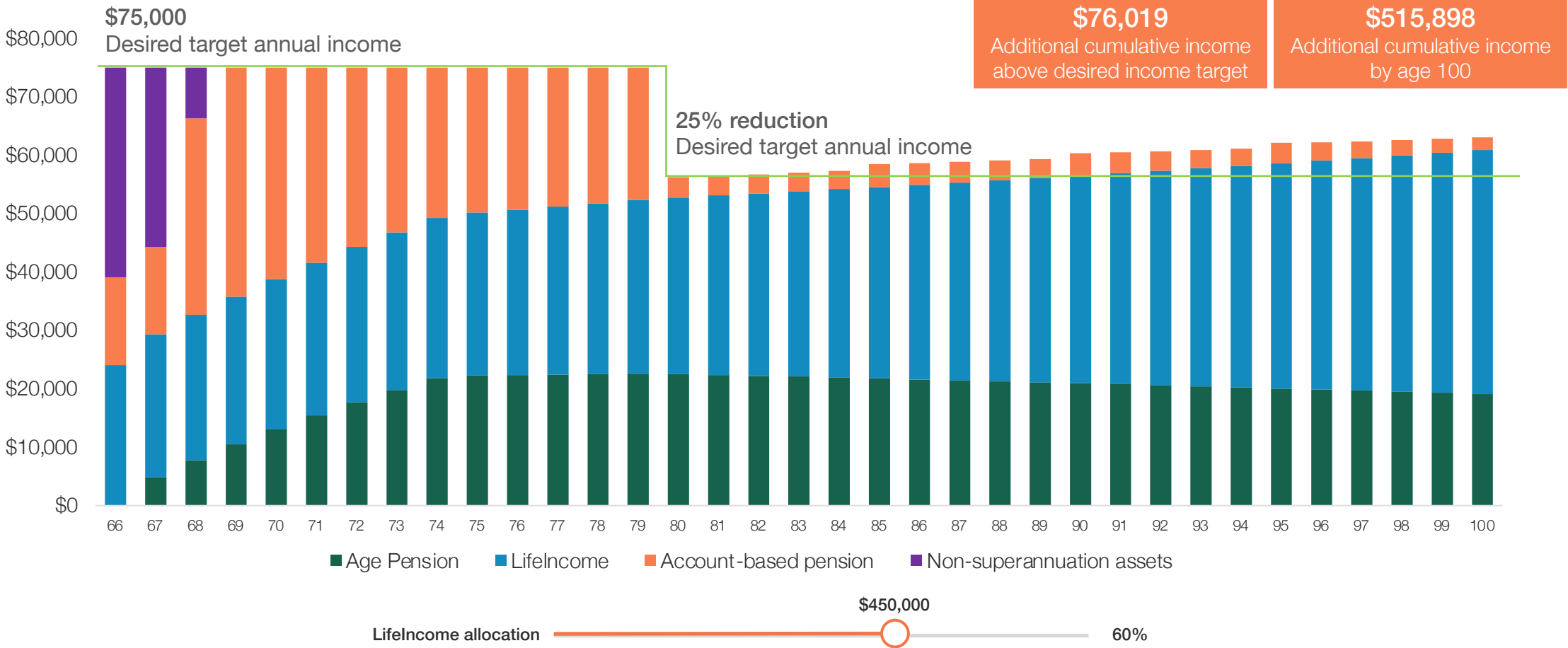
# Susan's current situation...



Susan's superannuation balance is used to commence an account-based pension, drawing income to meet her desired income target. Estimated fees, expenses and costs of 0.5% p.a. for the account-based pension. Assumed investment returns of superannuation assets is 8% p.a., non-superannuation assets at 3% p.a. and inflation of 2.5% p.a. No adviser fees have been charged and social security rates and thresholds are valid at 20/03/2024.



# If Susan establishes a LifeIncome and a FuneralBond...



Based on a LifeIncome policy for Susan after allocating 60% of her superannuation to LifeIncome with a LifeBooster 2.5% rate. Her remaining superannuation balance is used to commence an account-based pension, drawing income to meet her desired income target. Annual income illustrations are shown in real dollars. Estimated fees, expenses and costs of 0.5% p.a. for the account-based pension and 1.22% p.a. for LifeIncome. Fees on LifeIncome are a percentage of the annual income. There are no fees in the first financial year (or part thereof). Assumed investment returns of superannuation assets is 8% p.a., non-superannuation assets at 3% p.a. and inflation of 2.5% p.a. No adviser fees have been charged and social security rates and thresholds are valid at 20/03/2024.



## Susan's outcome

Immediate access to Age Pension and ancillary benefits at pension age

Additional layer of income guaranteed for life from LifeIncome and never reliant on the Age Pension alone

Ability to maintain her desired income target and almost double her income in later years

Additional cumulative income of \$515,898 at age 100

Pre-paid funeral arrangements easing the burden for the loved ones

Payback period<sup>1</sup> of 12 years



1. The 'payback period' is the estimated time for the return of your investment in the form of cumulative income, as well as any increase in Age Pension which you may receive as a result of investing into LifeIncome and FuneralBond.





## Case study

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# Minimising the impact of an inheritance on your Age Pension benefits

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## Meet Ina...

Ina is 79 years old, recently widowed and a homeowner.



## Ina's situation...

Ina's husband recently passed away. Due to now being assessed on the single rates, with all assets in her name, Ina's Age Pension entitlement has dropped substantially.

### Ina currently has...

Reversionary account-based pension	\$228,000
Cash at bank	\$210,000
Managed fund	\$58,000
Personal assets	\$10,000
<b>Total assessable assets</b>	<b>\$506,000</b>

Age Pension

\$13,092



A reduction from \$39,502 when they were receiving as a couple



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## Ina's objectives...

### Ina would like to...

- Minimise the impact from her late husband's inheritance on her Age Pension benefits
- She would like to optimise the level of income in retirement and complement other income streams

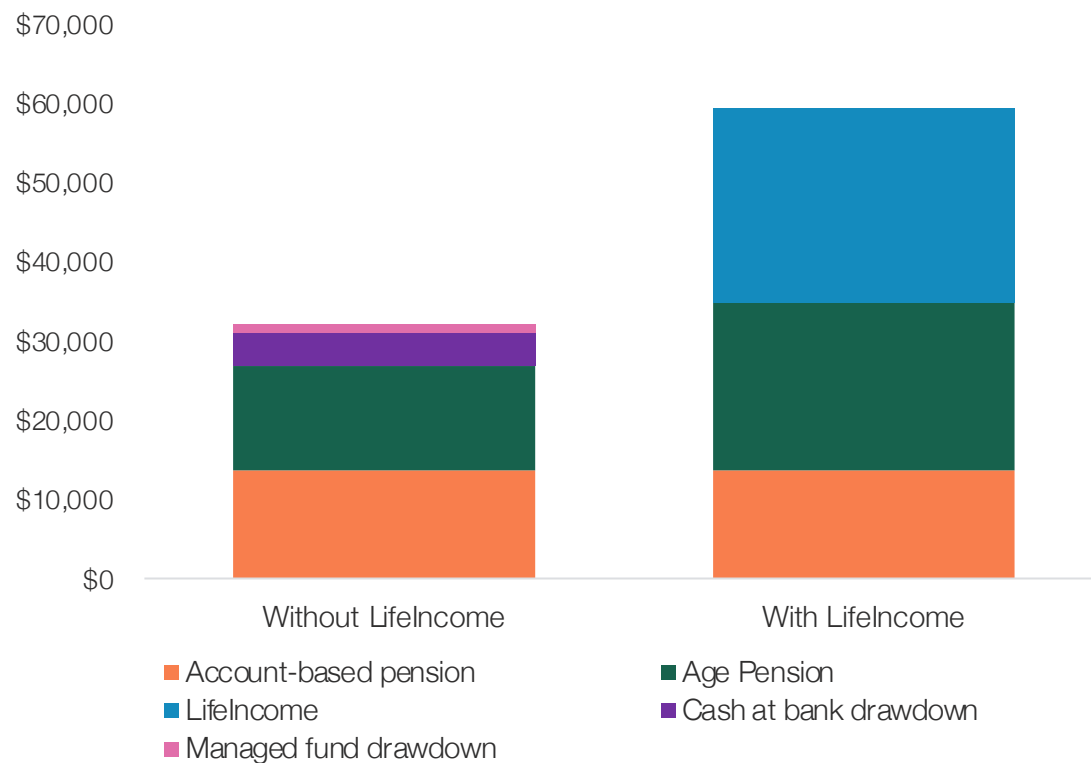
**Ina speaks to her financial adviser**



## If Ina establishes a LifeIncome...

Ina's financial adviser recommends she establish a non-superannuation LifeIncome using **\$200,000 from her bank account** and **her \$58,000 managed fund**.

### Ina's first year income position...




	Without LifeIncome	With LifeIncome
LifeIncome	\$0	\$24,468
Age Pension	\$13,092	\$21,146
Account-based pension	\$13,680	\$13,680
Cash at bank drawdown	\$4,200	\$0
Managed fund	\$1,160	\$0
<b>Total</b>	<b>\$32,132</b>	<b>\$59,294</b>

Based on a LifeIncome policy for Ina by investing \$258,000 into a non-superannuation LifeIncome with a LifeBooster 5% rate. There are no fees and costs on the income paid from LifeIncome in the first financial year. The fees and cost of LifeIncome impact the amount of annual income received, after the first financial year. No adviser fees have been charged and social security rates and thresholds are valid at 20/03/2024. Account-based pension assumes minimum drawdown of 6% per annum. Cash at bank and managed fund assumes 2% drawdown for Ina's first year income position without LifeIncome.



## Ina's Age Pension assessment in year 1

Lifeline is defined as an 'asset-tested income stream (lifetime)' product for social security purposes and provides the potential to access some or more of the Age Pension and ancillary benefits such as discounted council rates and cheaper medicine under the Pharmaceutical Benefits Scheme.

	Without Lifeline	With Lifeline	
Income test	\$9,952	\$18,828	
Assets test	\$506,000 assessable assets	\$402,800 assessable assets	\$103,200 reduction
Age Pension income	\$13,092	 \$21,146	62% uplift

Social security rates and thresholds as at 20/03/2024.

## Ina's outcome

Uplift of \$27,162 in year 1 with  
\$10,000 in savings for emergencies

Uplift of \$8,054 in Age Pension  
in year 1

Generate regular income with the  
option to select monthly or fortnightly  
payments from LifeIncome

Created an additional income  
stream guaranteed for life on top  
of the Age Pension





## Case study

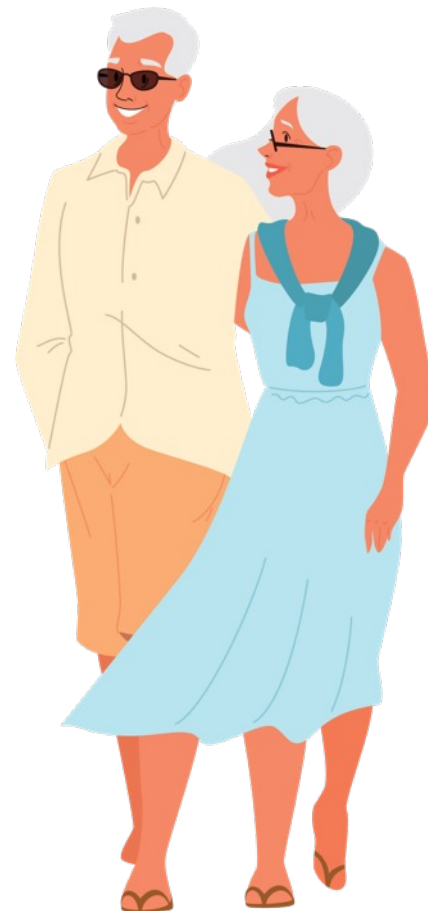
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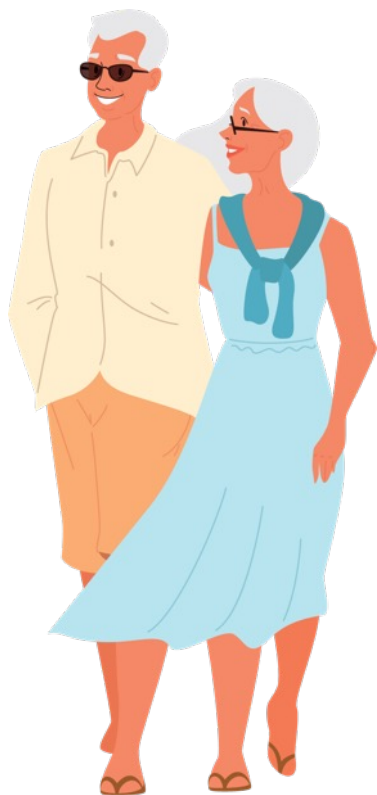
# The power of investment choice and flexibility

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## Meet Jim and Glenda...

Jim and Glenda, both 67 years old and recently retired.





## Jim and Glenda's objective

Jim and Glenda are looking to create an income stream that complements their account-based pension.

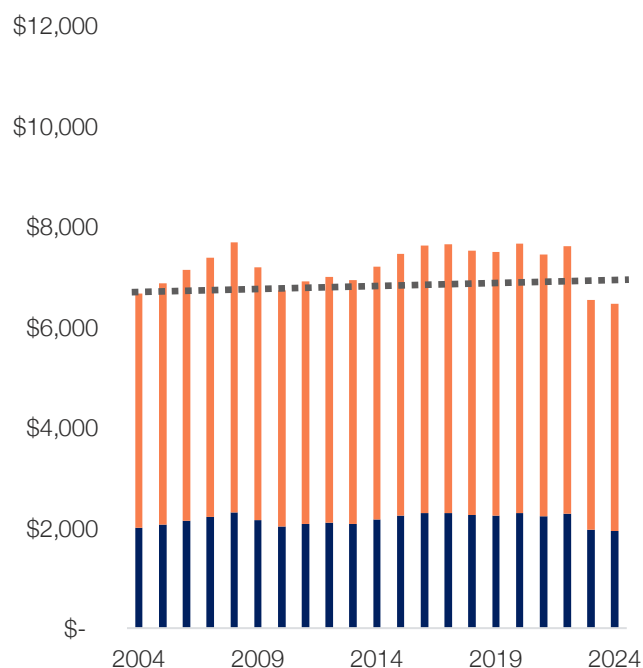
### They would like to:

- Take on more risk than their account-based pension while their balance is relatively high, and have the option to mirror their account-based pension in the future
- Grow their income and are prepared to take on some risk initially to achieve this in the early years of their retirement
- Flexibility to change their investment options to meet their changing needs over time

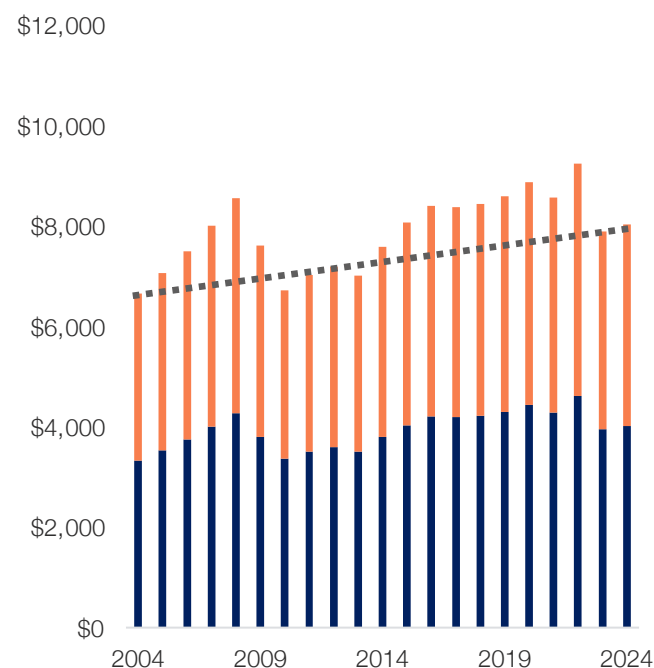
**Jim and Glenda recently read about investment-linked lifetime annuities and decided to speak to their financial adviser**

If Jim and Glenda invest \$100,000 with a 5% LifeBooster rate...

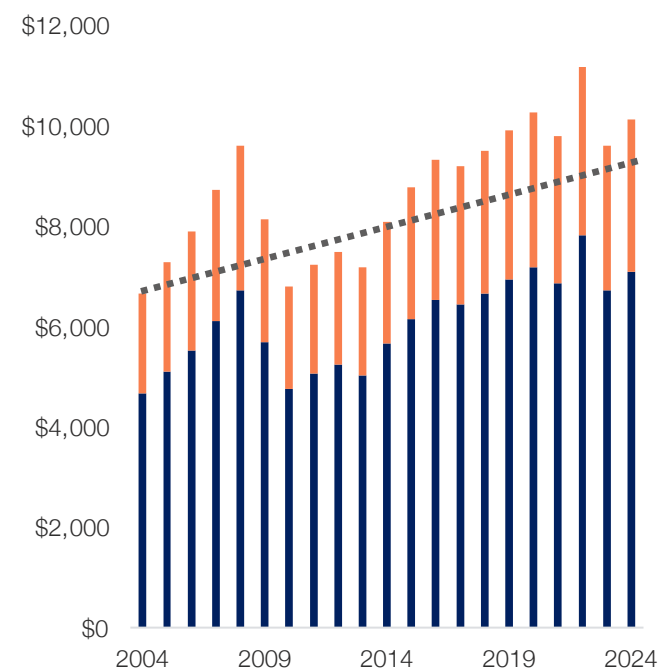
They will receive a higher starting income of \$6,663 with the opportunity for future growth.



30/70 portfolio



50/50 portfolio



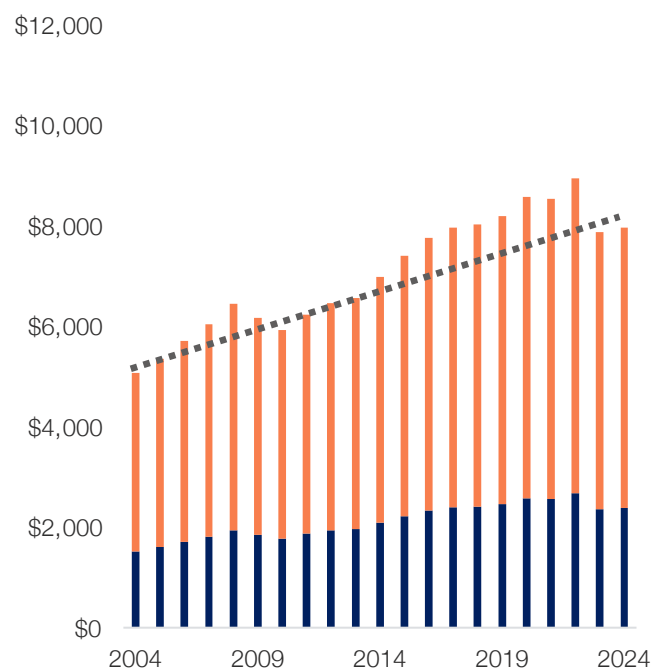
70/30 portfolio

Starting income is based on a LifeIncome for Jim with Glenda nominated as the Reversionary Beneficiary and commencing a LifeIncome policy of \$100,000 investment with LifeBooster 5%. Figures referencing the past 20 years from 1st July 2003 to 30th June 2023. Returns have applied an assumed franking credit refund as follows: Vanguard Conservative, 0.19% p.a., Vanguard Balanced, 0.29% p.a., Vanguard Growth, 0.46% p.a., Vanguard High Growth, 0.58% p.a.. Annual income illustrations are shown in nominal dollars. Estimated administration fees of 0.92% p.a. for LifeIncome. Fees on LifeIncome are a percentage of the annual income. There are no fees until the end of the first financial year. Past performance is not a reliable indicator of future performance.

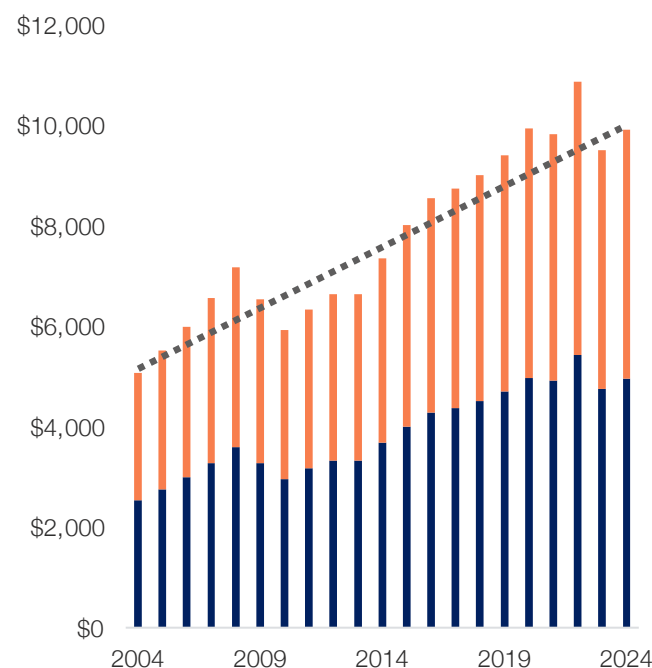


If Jim and Glenda invest \$100,000 with a 2.5% LifeBooster rate...

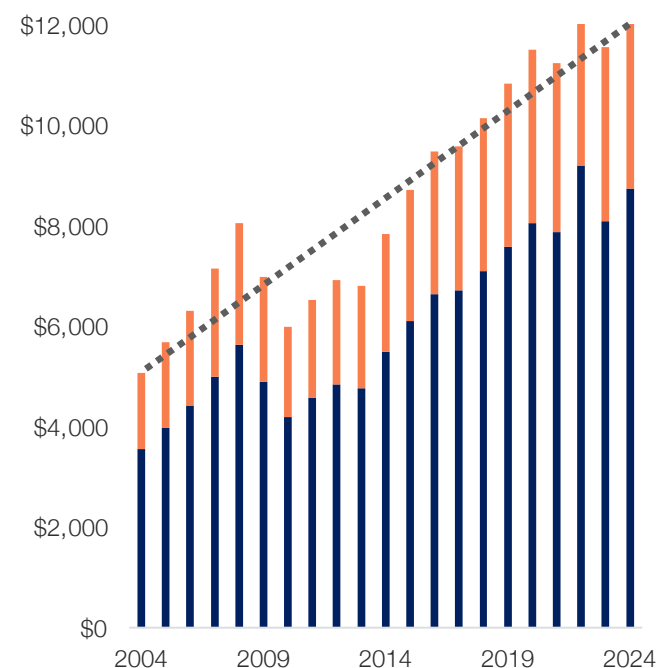
They will receive a starting income of \$5,077 with future growth potentially is greater.



30/70 portfolio



50/50 portfolio



70/30 portfolio

Starting income is based on a LifeIncome for Jim with Glenda nominated as the Reversionary Beneficiary and commencing a LifeIncome policy of \$100,000 investment with LifeBooster 2.5%. Figures referencing the past 20 years from 1st July 2003 to 30th June 2023. Returns have applied an assumed franking credit refund as follows: Vanguard Conservative, 0.19% p.a., Vanguard Balanced, 0.29% p.a., Vanguard Growth, 0.46% p.a., Vanguard High Growth, 0.58% p.a.. Annual income illustrations are shown in nominal dollars. Estimated administration fees of 0.92% p.a. for LifeIncome. Fees on LifeIncome are a percentage of the annual income. There are no fees until the end of the first financial year. Past performance is not a reliable indicator of future performance.

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## Jim and Glenda's solution

As Jim and Glenda are both in their early years of retirement, they would like to have a higher starting income, linked to a portfolio with a return profile that will deliver income that grows over time.

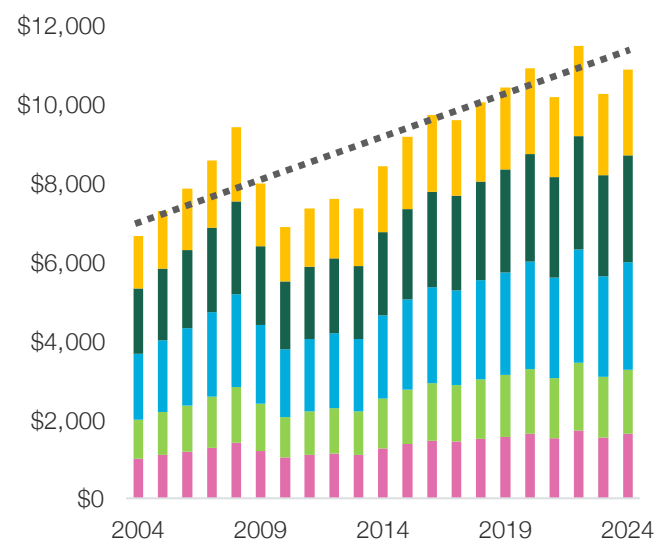
Their financial adviser decides to construct a 70/30 portfolio with a 5% LifeBooster rate to meet Jim and Glenda's current objective.



# Portfolio construction ideas

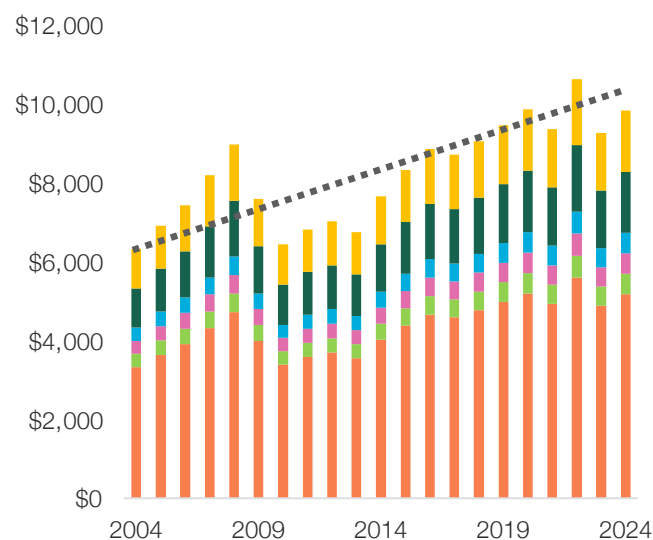
## Options to construct Jim and Glenda's 70/30 Portfolio

### Single Sector Model Portfolios



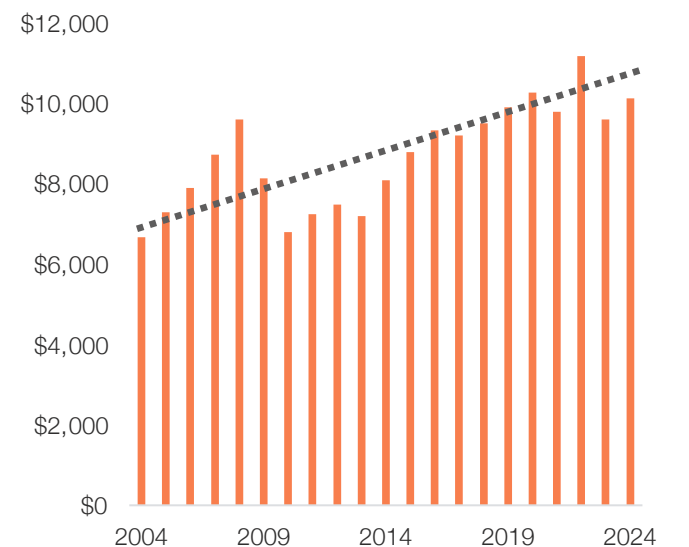
iShares Wholesale Australian Equity Index Fund	25%
iShares Wholesale International Equity Index Fund	25%
IML Australian Share Fund	20%
PIMCO Wholesale Global Bond Fund	15%
iShares Wholesale Australian Bond Index Fund	15%

### A core-satellite approach



Vanguard Growth Portfolio	50%
iShares Wholesale International Equity Index Fund	15%
iShares Wholesale Australian Equity Index Fund	15%
IML Australian Share Fund	5%
PIMCO Wholesale Global Bond Fund	5%
iShares Wholesale Australian Bond Index Fund	10%

### Pre-packaged Diversified options



Vanguard Growth Portfolio	100%
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Starting income is based on a LifeIncome for Jim with Glenda nominated as the Reversionary Beneficiary and commencing a LifeIncome policy of \$100,000 investment with LifeBooster 5%. Figures referencing the past 20 years from 1st July 2003 to 30th June 2023. Annual income illustrations are shown in nominal dollars. Estimated administration fees of 0.92% p.a. for LifeIncome. Fees on LifeIncome are a percentage of the annual income. There are no fees until the end of the first financial year. Past performance is not a reliable indicator of future performance. Past performance is not a reliable indicator of future performance.

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## What if Jim and Glenda want to grow their income with less volatility?

### Generation Life's latest innovation...

An investment approach for real return investing is to choose the portfolio that has the **highest probability** of achieving the required **return objective** over the investment horizon while focusing on **downside protection**.



# Introducing Generation Life's Retirement Portfolios



## Generation Life Lifestyle Portfolio

### Objective

To outperform the benchmark by **5.0%** p.a. over rolling 5-year periods. The benchmark is the 5-year rolling annualised change of **Self-Funded Retiree Living Cost Index<sup>1</sup>**.

## Generation Life Protect Portfolio

### Objective

To outperform the benchmark by **2.5%** p.a. over rolling 5-year periods. The benchmark is the 5-year rolling annualised change of **Self-Funded Retiree Living Cost Index<sup>1</sup>**.

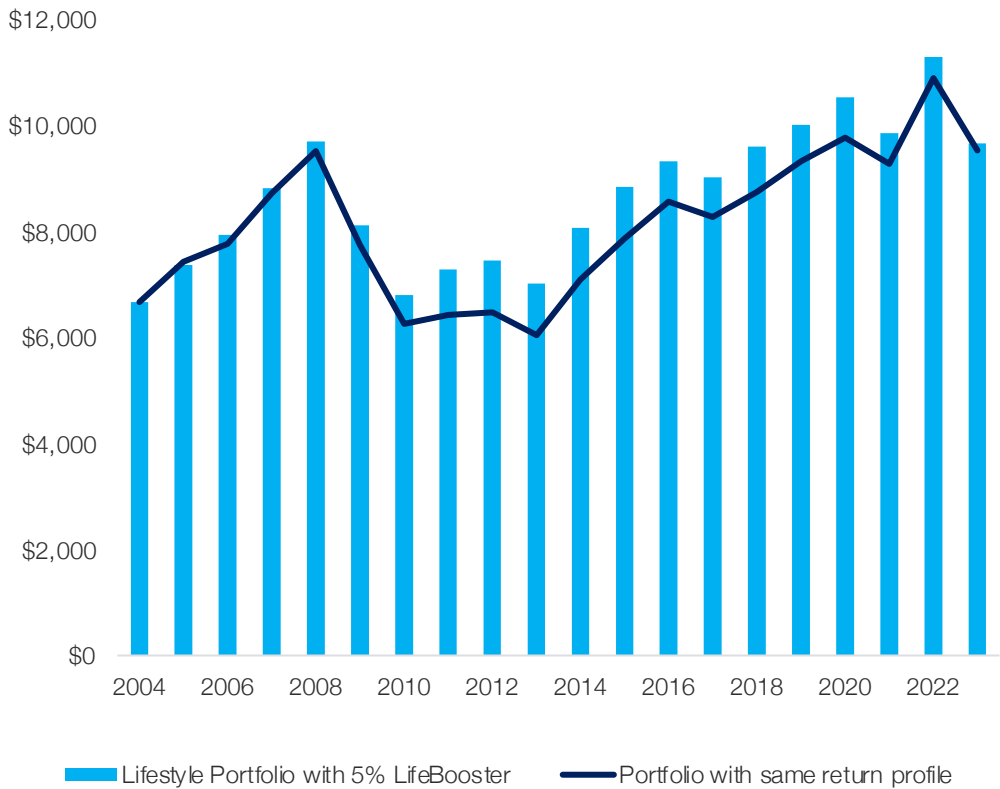
1. The Self-Funded Retiree Living Cost Index is published by the Australian Bureau of Statistics.



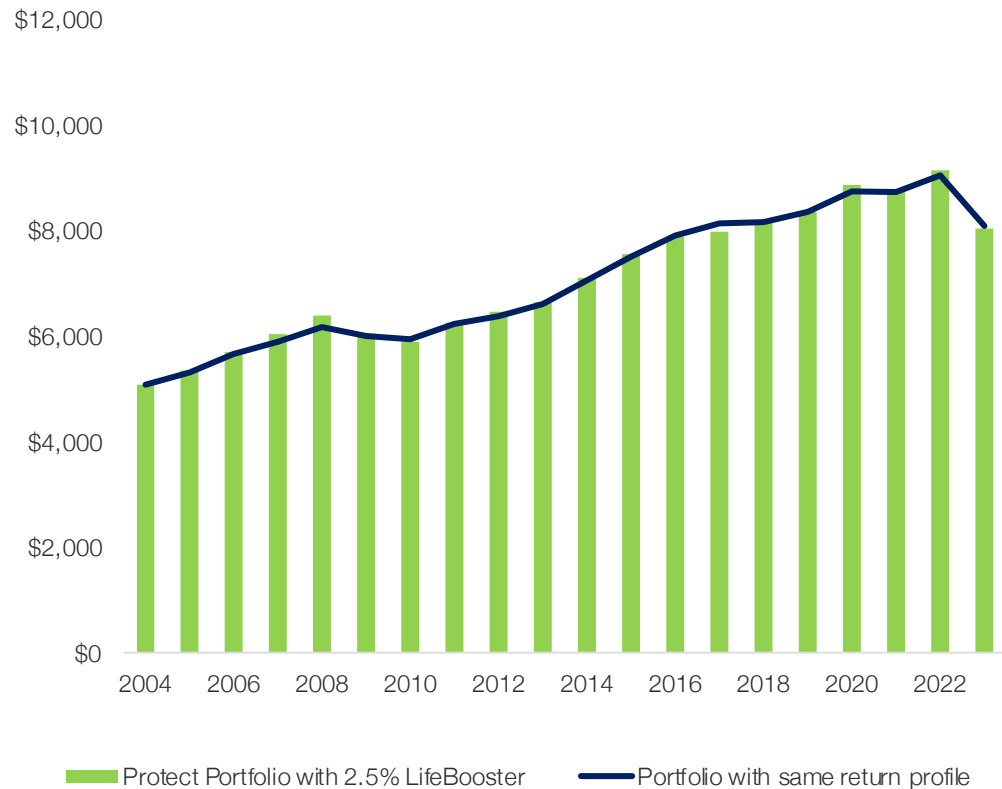
# Generation Life Retirement Portfolios



## Generation Life Lifestyle Portfolio



## Generation Life Protect Portfolio



Assumptions: Back tested returns of Lifestyle and Protect Portfolio. Illustrating the annual income of a LifeIncome policy of a 67-year-old couple. Administration fee of 0.92%.





## Jim and Glenda's outcome

Invest in Generation Life Lifestyle Portfolio with a return profile like a 70/30 portfolio, with downside protection strategies

Able to tailor their risk profile to their current retirement goals

Able to switch at anytime<sup>1</sup> as their circumstance changes overtime

Access to a wide range of leading investment managers across all major asset class



1. Brief exclusion period applies – refer to the Product Disclosure Statement



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## LifelIncome

The most flexible investment-linked lifetime annuity that offers more income and more choice

## 8 key features of LifeIncome

### Investment-linked lifetime annuity

Single or reversionary

### Investment menu

29 options with the ability to switch at anytime<sup>1</sup>

### 0% tax environment

Investment earnings within LifeIncome are tax-free

### Dollar-cost averaging

Progressive investment

### Reversionary beneficiary

Money available to support spouse or loved one<sup>2</sup> between ages of 50 and 95

### LifeBooster

More income sooner

### LifeIncome Flex

Increase starting income by choosing a reduced income when investor or their reversionary passes away

### Death Benefit<sup>3</sup> and Withdrawal Benefit<sup>4</sup>

Flexibility and peace of mind

1. Brief exclusion period applies – refer to the Product Disclosure Statement
2. If commencing LifeIncome with superannuation money, they can only nominate their spouse to receive income after they pass away. If commencing LifeIncome with non-superannuation money, they can nominate their spouse or any other person such as their child or sibling.
3. The amount paid back will be the investment amount adjusted for movements in the unit price of the investment option(s) chosen less any taxes and duties not recoverable by Generation Life, and after deducting income payments already made. Generation Life's management and administration fees and insurance expenses will only be refunded for cancellations within the regulatory 14-day cooling-off period – refer to the Product Disclosure Statement.
4. A lump sum Withdrawal Benefit is available within the Withdrawal Period. The Withdrawal Period is equal to your Death Benefit Period. If your LifeIncome has the LifeIncome Flex feature, your Withdrawal Period is six months from the commencement of your policy.



## Our leading investment menu

A wide range of investment options to meet investment objectives. You can hold any combination at any time.

**We offer 29 investment options across multiple styles:**

2 x	Retirement Portfolios
5 x	Single Sector Index funds
8 x	Pre-Packaged Diversified Models
3 x	Lower Volatility Outcome Based Funds
5 x	Truly Active Single Sector Funds
1 x	Inflation Linked Fund
3 x	Responsible Investment funds
1 x	Private Debt Fund
1 x	Cash Fund



# Tools and resources available...

Retirement strategy

Investor information

Advanced settings

Run comparison

Plan A

How much of your Superannuation into Lifelink?

30%

\$38,479

FIRST YEAR INCOME

\$6,475

LIFELINK

\$2,808

\$10,500

ACCOUNT-BASED PENSION

\$0

AGE PENSION

\$21,505

AGE PENSION

Plan B

How much of your Superannuation into Lifelink?

0%

\$33,697

FIRST YEAR INCOME

\$0

LIFELINK

\$2,038

CUMULATIVE AT AGE 76

\$0

AGE PENSION

\$49,617

\$27,924

\$22,918

\$147,183

\$482,187

2028

76

Bar chart showing income components over time

7 facts on investment-linked annuities

What is an investment-linked annuity?

Case study: Accessing the Age Pension

Case study: Minimising the impact of an inheritance

Case study: Avoiding "regret risk"

Case study: Income layering to manage risk

Case study: Protecting your loved one or a death benefit

Case study: The power of investment choice and flexibility

With the ageing population and the expectation to increase in retirement, it's important to understand the current superannuation system is responsible for the of Australia's retirement income for our future.

It is estimated that there are five million Australians in retirement that need assistance managing their superannuation investments, with a further 1.5 million aged 65 and over who are expected to be in retirement by 2030.

The new era of investment-linked annuities

Regulatory changes have accelerated the end of the era of the investment-linked annuity. This new era of income streams such as the Generation Link investment-linked annuity can offer new income, and more flexibility to help address inflation, and to provide a more secure retirement income.

What is an investment-linked annuity?

In exchange for a lump sum, you will receive regular income payments for life. The income you receive is linked to the performance of your chosen investment portfolio.

Combining an investment-linked annuity with an account-based pension, and if eligible, the Age Pension, is an optimal way to address inflation and investment risk, and the risk of running out of money. With an ageing population and the expectation of living longer, it is becoming an ever more important area for retirement planning.

Did you know that you can access the Age Pension?

Meet Ina...

Ina is 76 years old, recently widowed, and lives in Australia.

Did you know that an investment-linked annuity can help you manage the impact of an inheritance?

Meet Frank and Dot...

Frank and Dot are both 67 years old and live in Australia.

Did you know that income layering can help you manage your risk?

Meet Paul and Jean...

Paul and Jean are happily married and live in Australia.

Did you know that investment-linked annuities can help you protect your loved one or a death benefit?

Meet Bob...

Bob is 71 years old and lives in Australia.

Retire lifestyle - every retire has different objectives

A key challenge in successful retirement planning is being able to balance your financial goals and objectives with your retirement lifestyle. Retirement is not just a financial decision, it is an emotional journey. It can be an overwhelming period where you may feel unsure about the future and having a sense of clarity when you retire. Furthermore, you would also have had the financial stability of a regular income too. In addition to this, you may have concerns about inflation, economic stability, investment performance and longevity risk - the risk of outliving your savings.

One option to address this is to include more than one retirement income source, such as an investment-linked annuity, to your retirement income strategy. This complements your account-based pension. This is further enhanced by having a portfolio of underlying investment options with different risk profiles, suited to your risk and disability. There are however, some general principles which should be considered in constructing an investment portfolio suited to the retirement journey.

Providing flexible styles of investing through a purpose-built investment strategy

Traditional annuities provided how they offered starting income that was changes or where income is linked annually to a CPI index.

Due to the investment-linked structure, changes in actual income are linked to the investment performance of your chosen investment options. The income payments will go up and down with investment performance, and over the longer term income can be expected to grow in excess of inflation, depending on the investment options chosen.

Lifelink offers a new style of investment options across all major asset classes including shares, international, and private debt, with the ability for you to switch these investment options at any time.

Working closely with your financial adviser, you can construct your own portfolio by investing in single asset investment options or one of the diversified investment options to suit your desired risk profile. But your risk profile changes then so too can your investment.



# Generation Life

Highly recommended for  
over a decade

Note: Chant West rating for LifeBuilder and ChildBuilder

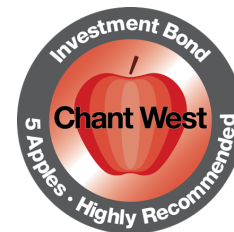
## Awards



## Research ratings



LifelIncome



Investment Bonds



Investment Bonds  
LifeBuilder





**Thank you.**

**Contact our Distribution team...**

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