



The new world of Aged Care

Agenda

1. Market opportunity
2. Support at Home
3. Residential Aged Care
4. Case studies — who benefits and who doesn't
5. Strategies to help your clients plan and pay for aged care



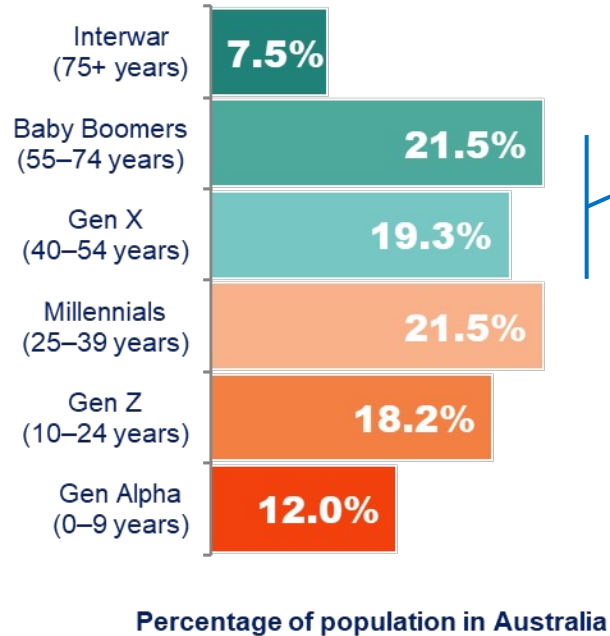
Aged Care Gurus



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Market Opportunity

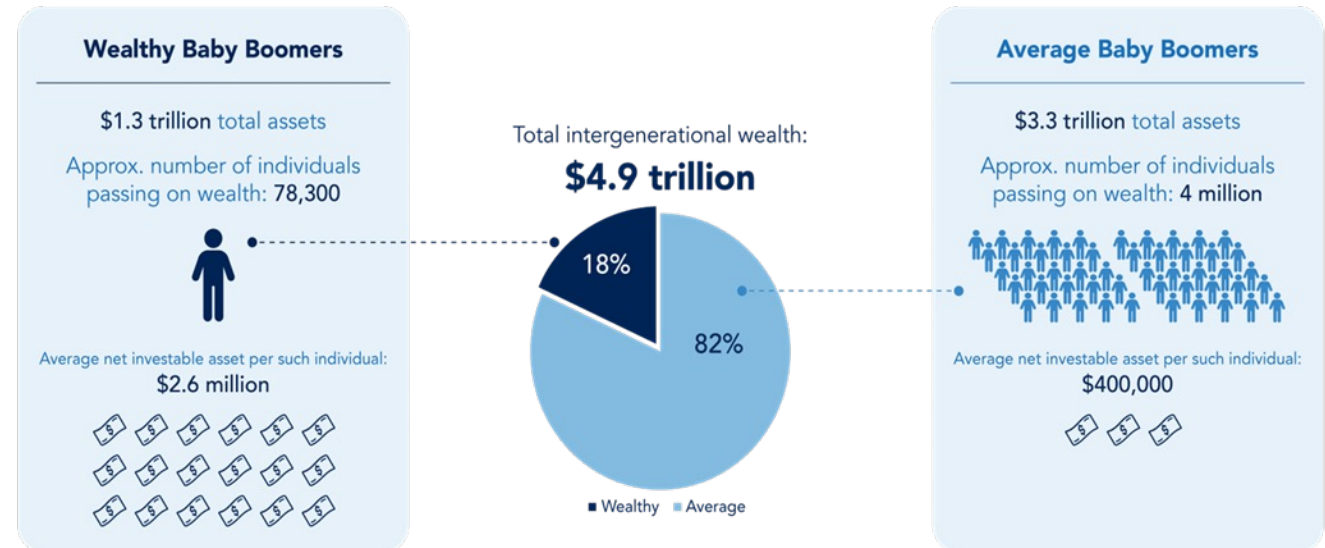
Generational distribution



Aged Care advice – more than Residential Aged Care
Enables advisers to access 48% of the market.

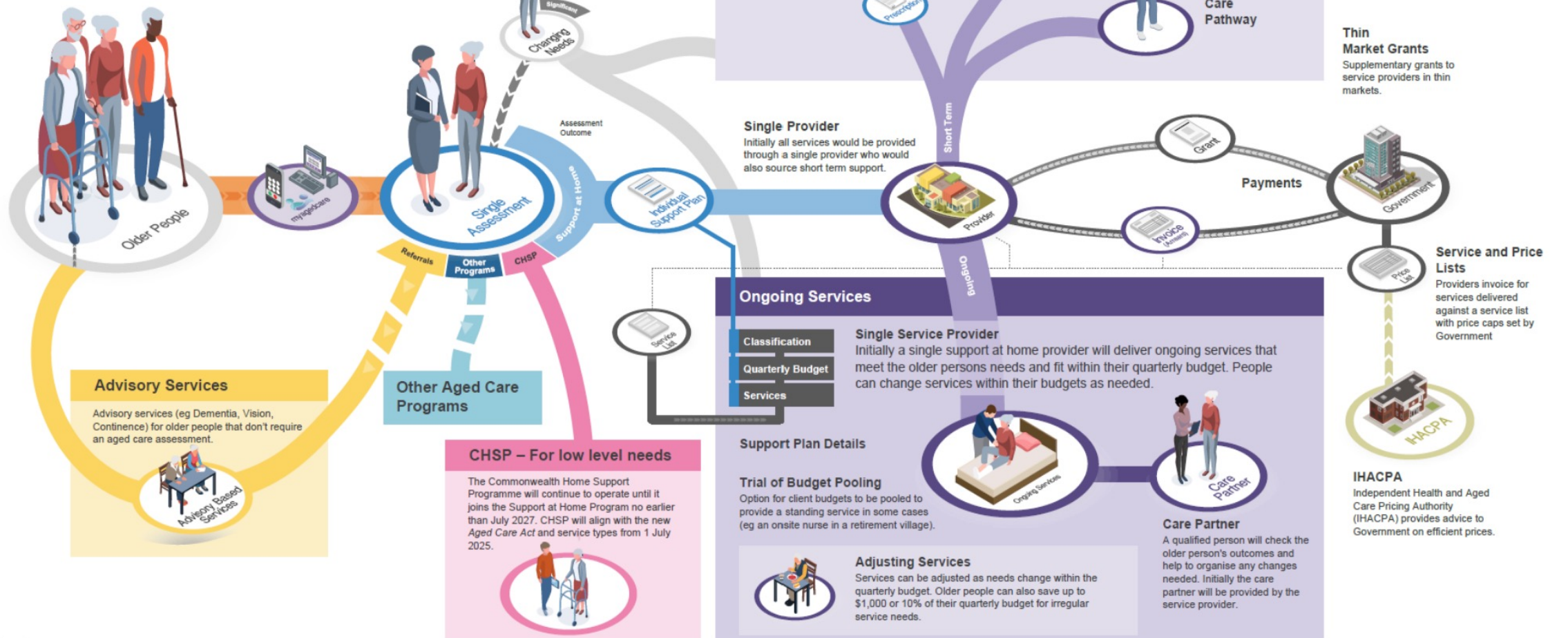
Sandwich generation (40 - 65 yrs old)
Time poor, profitable and valuable cohort.
Retention & acquisition strategy, for retirees and their busy children.

The size and the wealth transfer opportunity



2025 Support at Home program overview

This diagram aims to provide a high level overview of how the proposed support at home program will operate from 2025 to assist older people remain at home for as long as possible.





Support at Home

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Support at Home

HCP and STRC
combine

CHSP will join
after July 2027

8 SaH Levels
(up to \$78,106)

Short Term
Restorative Care
(STRC)
(up to \$12,022)

Assistive
Technology and
Home Modifications
(ATHM)
(up to \$15,000)

End of Life
Pathway
(\$25,035)



Funding

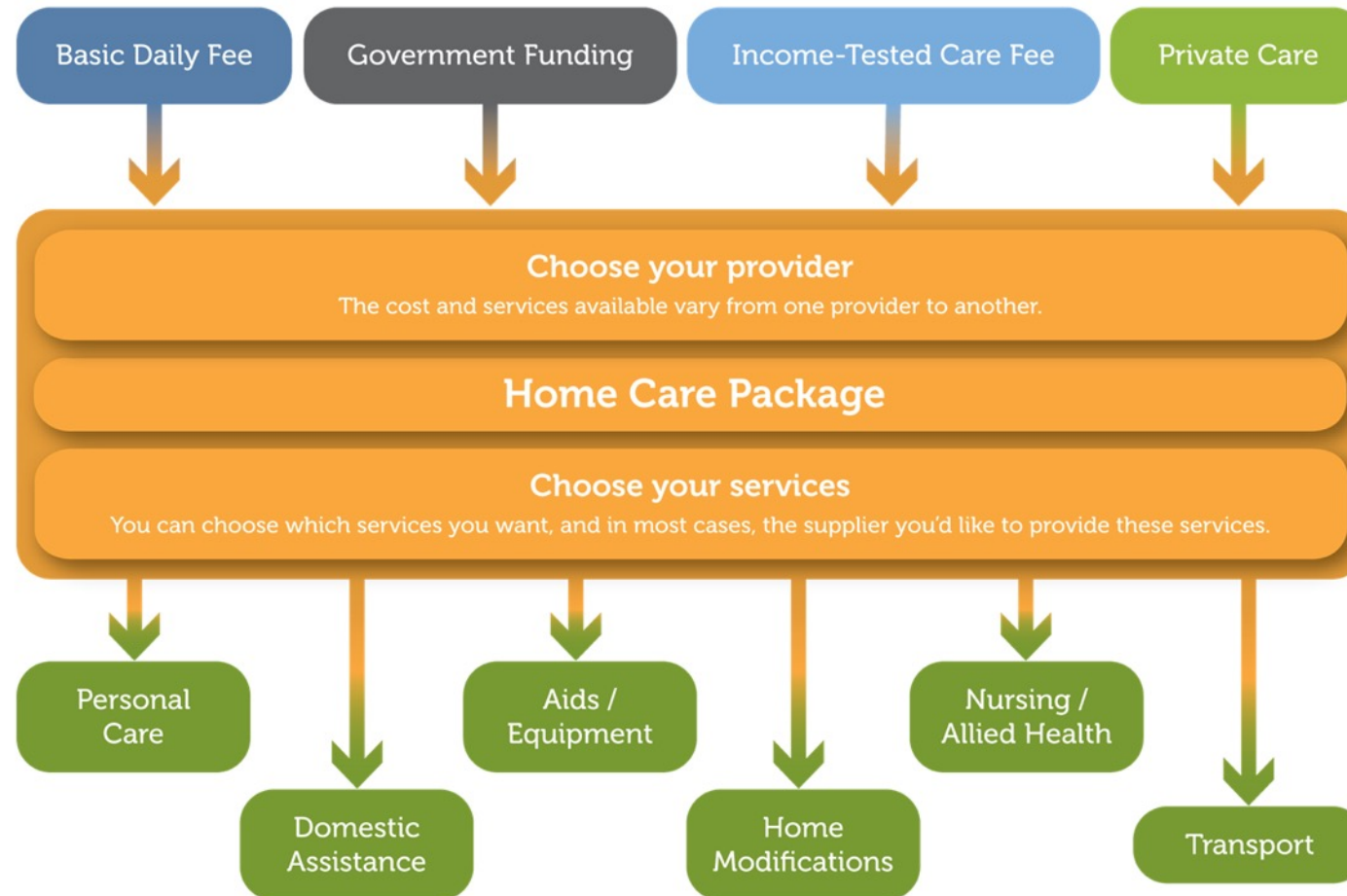


Transitioned HCP	Funding Annual	Support at Home	Funding Annual
HCP Level 1	\$10,987	SaH Level 1	\$10,731
		SaH Level 2	\$16,034
HCP Level 2	\$19,319	SaH Level 3	\$21,966
		SaH Level 4	\$29,696
HCP Level 3	\$42,055	SaH Level 5	\$39,697
		SaH Level 6	\$48,114
HCP Level 4	\$63,758	SaH Level 7	\$58,148
		SaH Level 8	\$78,106

Short Term Supports	Funding
STRC	Up to \$12,022
ATHM	Up to \$15,000
End of Life	Up to \$25,035

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Home Care Packages – Pre Reform



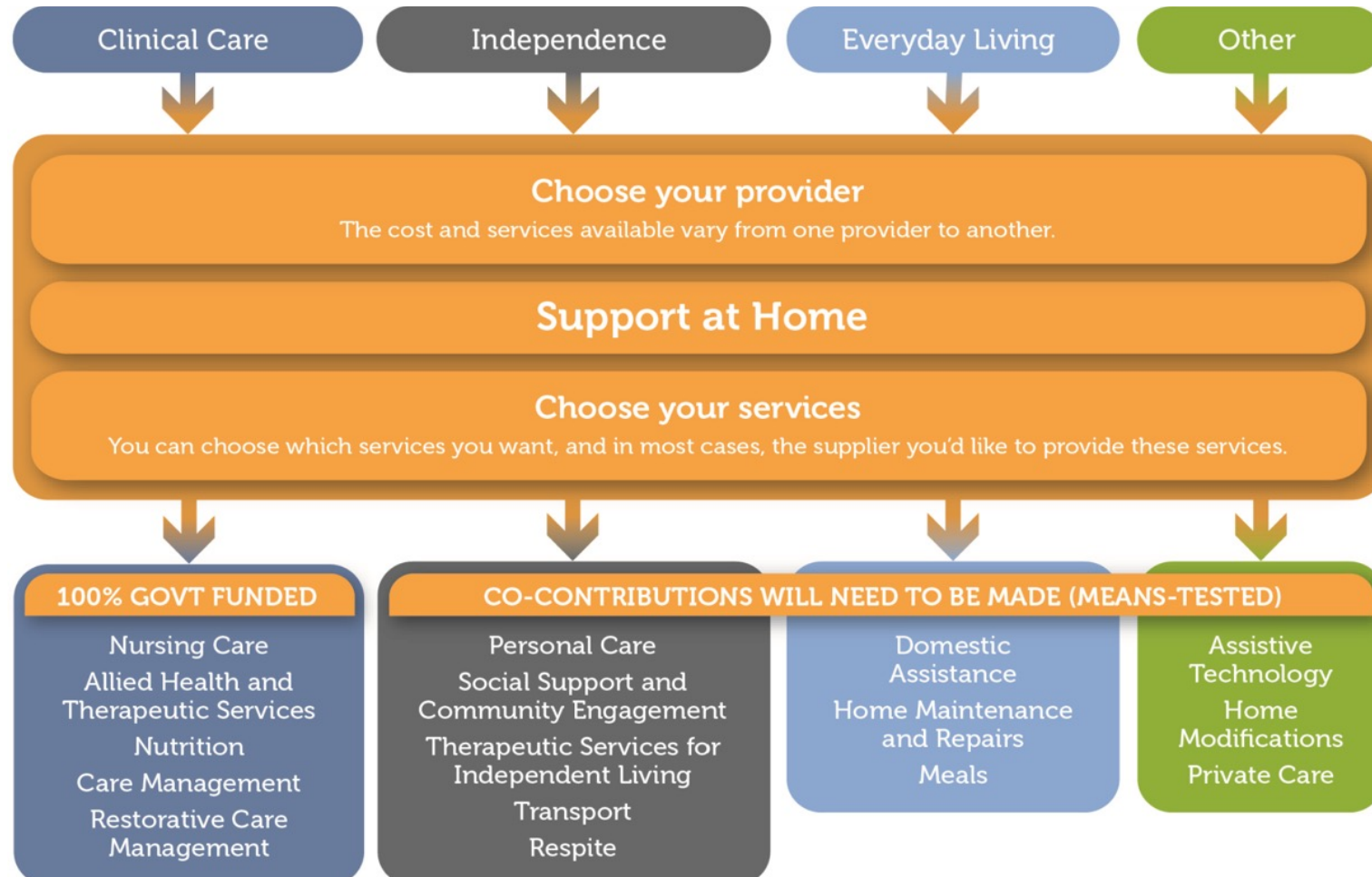
Home Care Package Costs



Basic Daily Fee \$12.09 up to \$13.49			
Relationship	Income Threshold	Income-Tested Care Fee	Capped at
Single	\$34,762 p.a	@50c per Dollar	Full Pensioner \$0
Couple	\$26,871 p.a		Part Pensioner \$7,048 p.a
Illness Sep Couple	\$34,034 p.a		Self-Funded \$14,095 p.a
Lifetime Cap \$84,572			

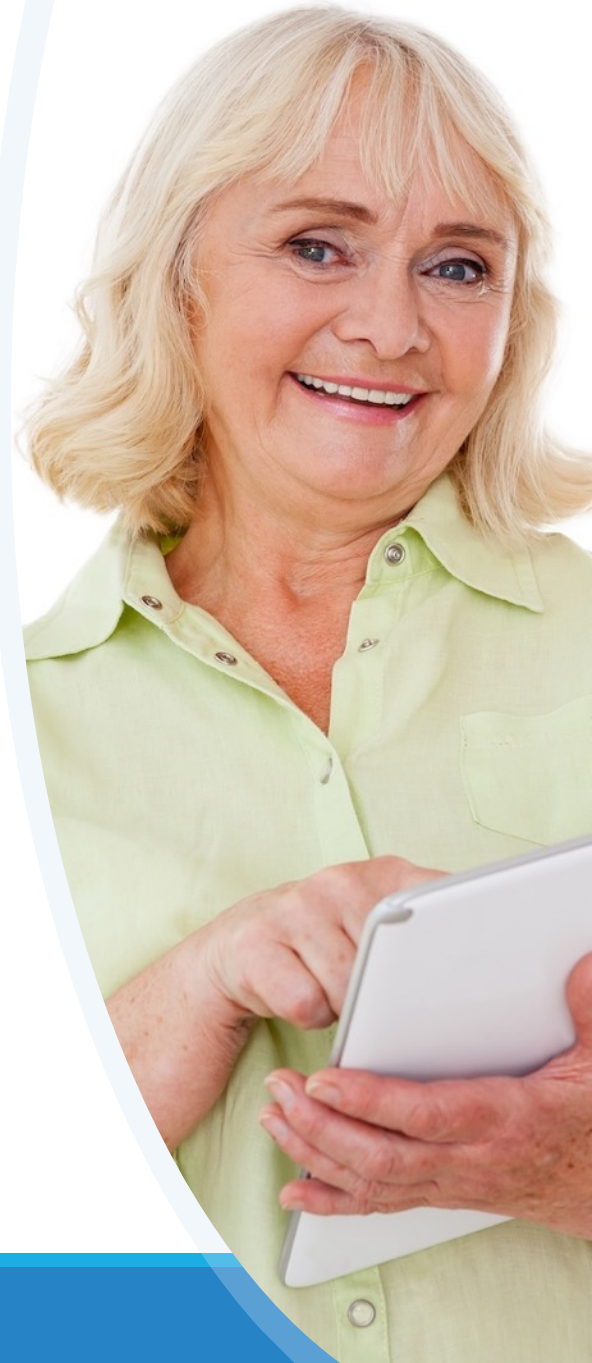
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Support at Home – Post Reform



Support at Home Costs

	Clinical Care	Independence	Everyday Living
	Nursing and therapists	Showering, dressing, medications	Cleaning, gardening, meal prep, shopping
Full pensioner	0	5%	17.5%
Part-pensioner CSHCC Holder	0	5% – 50% based on assets and income	17.5% – 80% based on assets and income
Self-funded	0	50%	80%
Lifetime Cap \$135,319			



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Calculating Contributions



Work out the income reduction amount

(Assessable income — income free area*) * 50%

Work out the asset reduction amount

(Assessable assets — Asset limit**) * 7.8%

Work out the maximum reduction amount

(Income limit*** — income free area*) * 50%

Work out the input contribution rate

Greater of step 1 or 2 / step 3 * 100

Work out the percentage contribution

1. Independence
(Step 4 * .45**** + 5%) = \$X
2. Everyday living
(Step 4 * .625 **** + 17.5%) = \$Y

*Income free area (Income threshold Age Pension)

**Asset limit (Asset threshold Age Pension)

***Income limit (CSHCC cut off)

**** Represents the max contribution X(45% + 5% independence) & Y (62.5% + 17.5% everyday living)



Shirley — Full Pensioner

Current situation	
Home	\$1.2m
Cash	\$50,000 (4% p.a.)
Assets	\$10,000
Age Pension	\$30,646 p.a

Approved for SaH Level 5 and RACF

Stay at home SaH + \$200p.w private care

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Shirley's Support at Home (SaH)

SaH Level 5	Clinical Care	Independence	Everyday Living
Hourly Rate*	\$150	\$100	\$100
Proportion	33%	33%	33%
Hours	89	133	133
Cost of Care	\$13,233	\$13,232	\$13,232
Contribution	\$0	\$662	\$2,316
Contributions	\$2,978		
Total Package	\$39,697		

*Department of Health and Aged Care Summary of indicative Support at Home prices

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Shirley's Cost of Care

Home Care	
Home	\$1,200,000
Cash	\$50,000
Personal Assets	\$10,000
Living Expenses	\$35,000
S@H Package Level 5	\$2,978
Private Care	\$10,400
Total	\$48,392
Pension	\$30,646
Interest	\$2,000
Cashflow	-\$15,752
Home after 5 years (2%p.a)	\$1,325,000

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Betty - Self-funded

Current situation	
Home	\$3m
Investments	\$1m (5% p.a.)
Assets	\$30,000

Approved for SaH Level 5 + RACF
Stay at home SaH + \$200p.w private care



Betty's Support at Home

SaH Level 5	Clinical Care	Independence	Everyday Living
Hourly Rate*	\$150	\$100	\$100
Proportion	33%	33%	33%
Hours	89	133	133
Cost of Care	\$13,332	\$13,332	\$13,332
Contribution	\$0	\$6,667	\$10,666
Contributions	\$17,333		
Total Package	\$39,697		

*Department of Health and Aged Care Summary of indicative Support at Home prices

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Betty's Cost of Care

Home Care	
Home	\$3,000,000
Investments	\$1,000,000
Personal Assets	\$30,000
Living Expenses	\$38,000
S@H Package Level 5	\$17,333
Private Care	\$10,400
Total	\$67,733
Income	\$50,000
Cashflow	-\$15,733
Home after 5 years (2%p.a)	\$3,312,00

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No Worse Off Principle

On 12 Sept 2024 receiving, approved or on National Prioritisation System for HCP will pay the same or less for Support at Home. Lifetime Cap of \$84,572 (indexed) applies.



	Clinical	Independence	Everyday living
Full pensioner	0%	0%	0%
Part pensioner and self-funded CHSC holder	0%	Between 0% and 25%	Between 0% and 25%
Self-funded non-CSHC holder and means not disclosed	0%	25%	25%

Strategies for Advisers

Prepare your clients — start the conversation now

Consider the benefits of rightsizing

Does it make sense to use funds for everyday living?

SaH Funding - Use it or lose it

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Residential Aged Care

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Residential Aged Care Means Testing

Same assets and
income assessment

Home assessed up
to capped value of
\$210,555

Home Exemption if
Protected person

Low Means
residents
unchanged



Residential Aged Care Costs – Pre Reform



What an Aged Care Home will cost you			
Accommodation	Basic Daily Fee	Means Tested Care Fee	Additional Service Fee
RAD Market price cap \$758,627	Paid by everyone regardless of means	1% of assets above \$210,555 2% of assets above \$555,666 50¢ per dollar of income above \$34,762p.a.	User pays services such as hairdressing, beer/wine with meals
Fully Refundable	\$66/day	\$404/day	
	\$23,926/year	\$35,238/year	
		\$84,572 Lifetime	

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Residential Aged Care Costs – Post Reform



What an Aged Care Home will cost you				
Accommodation	Basic Daily Fee	Hotelling Supplement	Non-Clinical Care Contribution	Higher Everyday Living Fee
Market price cap \$758,627	Paid by everyone regardless of means	7.8% of assets above \$252,000 + 50¢ of income above \$34,762p.a.		User pays services such as hairdressing, beer/wine with meals
Exit Fee 2%/year	\$66/day	\$22/day	\$105/day	
10% Cap	\$23,926/year	\$8,085/year	\$38,435/year	
			\$135,319 Lifetime or 4 years	

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No Worse Off Principle



Individuals already receiving residential aged care will not face increased financial contributions or changes to their accommodation arrangements.

Their accommodation fees will remain under the current rules unless they leave aged care (28days) OR move to a new provider and opt in.

The new means-tested contributions and accommodation arrangements apply to new entrants to residential aged care.



Shirley — Full Pensioner

Current situation	
Home	\$1.2m
Cash	\$50,000 (4% p.a.)
Assets	\$10,000
Age Pension	\$30,646 p.a

RAD \$750,000 \$50/day HELF



Shirley's Cost of Care

Residential Aged Care		
RAD or DAP	\$750,000	\$57,075
Basic Daily Fee	\$23,926	\$23,926
Hotel Supplement	\$8,085	\$1,442
Non-Clinical Care Contribution	\$38,435	\$0
Higher Everyday Living Fee	\$18,250	\$18,250
Out of pockets	\$3,650	\$3,650
Total	\$92,346	\$104,343
Pension	\$27,247	\$30,646
Interest	\$20,000	\$2,000
Cashflow	-\$45,099	-\$71,697
RAD or Home after 5 years	\$675,000	\$1,325,000

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Pay by RAD

Current Resicare Analysis		Client
Low Means Resident		No
RAD/RAC Paid	\$	750,000.00
RAD/RAC Remaining	\$	0.00
DAP/DAC	\$	0.00
Deduct DAP/DAC - RAD/RAC		No
Basic Daily Fee	\$	65.55
Higher Every Day Living Fee	\$	50.00
Out of Pocket Expenses	\$	0.00
Hotelling Supplement	\$	22.15
Non Clinical Care Contribution	\$	105.30
Total Daily Aged Care Cost	\$	243.00

Pay by DAP

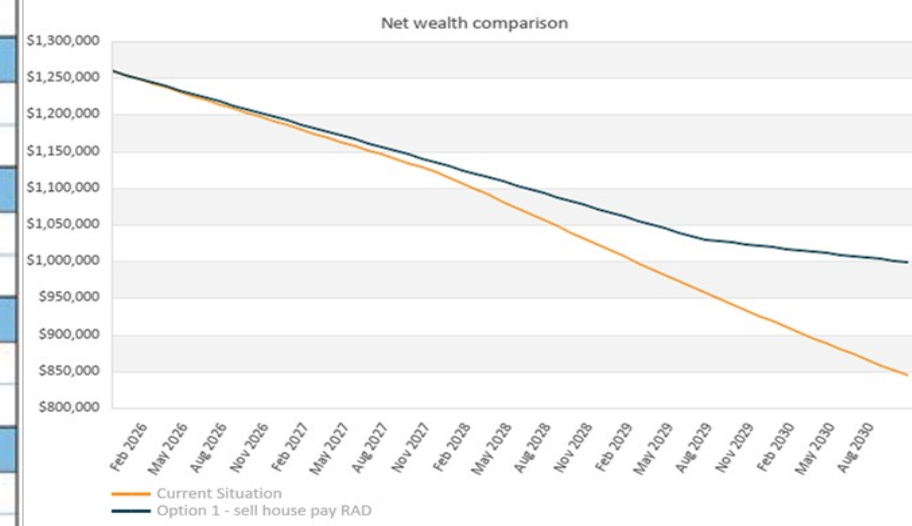
Current Resicare Analysis		Client
Low Means Resident		No
RAD/RAC Paid	\$	0.00
RAD/RAC Remaining	\$	750,000.00
DAP/DAC	\$	156.37
Deduct DAP/DAC - RAD/RAC		No
Basic Daily Fee	\$	65.55
Higher Every Day Living Fee	\$	50.00
Out of Pocket Expenses	\$	0.00
Hotelling Supplement	\$	3.98
Non Clinical Care Contribution	\$	0.00
Total Daily Aged Care Cost	\$	275.90

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5 Year Scenario Comparison					
Forecast	Year 1	Year 2	Year 3	Year 4	Year 5
Net Worth					
Current Situation	\$1,191,146.54	\$1,122,603.37	\$1,022,651.20	\$925,752.54	\$837,044.81
sell house pay RAD	\$1,198,428.54	\$1,136,063.30	\$1,072,468.50	\$1,022,347.91	\$997,854.81
Pension Entitlement					
Current Situation	\$30,646.20	\$30,926.12	\$0.00	\$3,546.06	\$12,239.38
sell house pay RAD	\$27,558.14	\$28,523.59	\$29,883.00	\$31,247.06	\$32,242.95
Cost of Care					
Current Situation	\$99,499.66	\$99,469.29	\$99,952.17	\$100,444.71	\$100,947.11
sell house pay RAD	\$88,695.00	\$89,338.44	\$90,760.21	\$77,497.15	\$52,530.08
Cash at Bank					
Current Situation	\$-18,853.46	\$-87,396.63	\$-187,348.80	\$-284,247.46	\$-372,955.19
sell house pay RAD	\$451,758.37	\$403,664.69	\$354,064.98	\$317,668.35	\$306,633.33
Total Income/Inflow					
Current Situation	\$30,646.20	\$30,926.12	\$0.00	\$3,546.06	\$12,239.38
sell house pay RAD	\$40,453.37	\$41,244.76	\$41,160.50	\$41,100.52	\$41,495.06
Total Expenses					
Current Situation	\$99,499.66	\$99,469.29	\$99,952.17	\$100,444.71	\$100,947.11
sell house pay RAD	\$88,695.00	\$89,338.44	\$90,760.21	\$77,497.15	\$52,530.08
Net Cash Flow					
Current Situation	\$-68,853.46	\$-68,543.17	\$-99,952.17	\$-96,898.66	\$-88,707.73
sell house pay RAD	\$-48,241.63	\$-48,093.68	\$-49,599.71	\$-36,396.63	\$-11,035.02



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Betty - Self-funded

Current situation	
Home	\$3m
Investments	\$1m (5% p.a.)
Assets	\$30,000

Approved for SaH Level 5 + RACF
Stay at home SaH + \$200p.w private care



Betty's Cost of Care

Home Care	
Home	\$3,000,000

Living Expenses	\$38,000
S@H Package Level 5	\$17,332
Private Care	\$10,400
Total	\$65,732
Pension	\$0
Interest	\$50,000
Cashflow	-\$15,732
Home after 5 years (2%p.a)	\$3,312,000

Residential Aged Care		
RAD or DAP	\$750,000	\$57,075

Basic Daily Fee	\$23,926	\$23,926
Hotel Supplement	\$8,085	\$8,085
Non-Clinical Care Contribution	\$38,434	\$36,434
Higher Everyday Living Fee	\$18,250	\$18,250
Out of pockets	\$3,650	\$3,650
Total	\$92,345	\$147,420
Pension	\$30,628	\$0
Interest	\$12,500	\$50,000
Cashflow	-\$49,217	-\$97,420
RAD or Home after 5 years	\$675,000	\$3,312,000

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Considerations

Stay at Home

- Wait times
- Service contributions
- Hours of care
- Private Care
- HEAS or reverse mortgage
- Capital gain/loss on home
- Lifetime Cap (\$135,319)

Paying a RAD

- Save DAP \$57,075p.a on \$750,000
- \$46,520p.a Hotel Supp + Non-Clinical Care
- Lose up to 10% (\$75,000)
- Left over funds – Age Pension
- Lifetime Cap or 4 years

Paying a DAP

- 2 year home exemption (pension)
- Home value capped \$210,555
- Rent, costs (rates, land tax)
- Capital gain/loss on home
- Lifetime Cap or 4 Years

ACG Advice Builder™

- Generate a report for your clients in an easy-to-understand format.
- Easily compare options and projections.



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Support at Home

VS



Residential Aged Care



Any questions?

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Pro Ready Reckoner

Download your FREE copy



Ready Reckoner
current as at 1 November 2025

Retirement Living + Aged Care Specialist®
Aged Care Gurus

Centrelink
Age Pension, Blind Pension and Service Pension

Pension Fortnightly Rates	Single	Couple
Base Rate	\$1,079.70	\$813.90
Supplement	\$84.90	\$64.00
Energy Supplement	\$14.10	\$10.60
	\$1,178.70	\$888.50

DVA Compensation Payments/Pensions

Pension	Fortnightly Rate
Disability – General Rate (100%)	\$646.00
Disability – EDA	\$1,004.20
Disability – Intermediate	\$1,233.70
Disability – TPI	\$1,860.90
War Widow/er Pension	\$1,200.80
Income Support Supplement	\$357.00

Asset Test Thresholds and Cut-Offs

	Homeowner		Non-Homeowner	
	Threshold	Cut-Off	Threshold	Cut-Off
Single	\$321,500	\$714,500	\$579,500	\$972,500
Couple	\$481,500	\$1,074,000	\$739,500	\$1,332,000
Illness Separated Couple	\$481,500	\$1,267,500	\$739,500	\$1,525,500
DVA ISS (Single)	\$590,750	\$709,750	\$848,750	\$967,750

Income Thresholds and Cut-Offs

	Income Threshold Per fortnight	Income Cut-Off Per fortnight
Single	\$218.00	\$2,575.40
Couple	\$380.00	\$3,934.00
Illness Sep Couple	\$380.00	\$5,094.80
DVA WWP ISS (Single)	\$632.40	\$1,346.40

Deeming Rates

	Lower Assets	Deemed Income
Single	\$64,200	\$481.50 p.a
Couple	\$106,200	\$796.50 p.a
Upper Assets		2.75%

Funeral Bond

	\$15,750

Commonwealth Seniors Health Care Card Cut-Offs

	Income Free Area (annual)
Single	\$101,105
Couple (each)	\$161,768
Illness Sep Couple (each)	\$202,210

Rent Assistance

	Rent Threshold Per fortnight	Maximum Payment Per fortnight	Rent to get Max Payment
Single	\$152.00	\$215.40	\$439.20
Couple	\$246.20	\$203.00	\$516.87
Illness Sep Couple	\$152.00	\$215.40	\$439.20

Extra Allowable Amount/Entry Contribution Limit

	\$258,000*
	*Determines Homeowner Status for Retirement Village and Granny Flats
Special Disability Trust: Concessional Asset Value Limit	\$832,750

Residential Aged Care

Residential Aged Care Costs – pre Reform

Basic Daily Fee	\$65.55

Residential Aged Care Costs – post Reform*

Basic Daily Fee	\$65.55 per day
Maximum Hoteling Supplement	\$22.15 per day
Maximum Non-Clinical Care Contribution	\$105.30 per day
RAD Retention	2% p.a. (capped at 10% for 5yrs)

Base Rate and MPIR – pre and post Reform*

Base Interest Rate	2.75%
MPIR	
1/07/2025 – 30/09/2025	7.78%
1/10/2025 – 31/12/2025	7.61%

Minimum Permissible Asset Level – pre and post Reform*

	\$63,000

Refundable Accommodation Deposit cap – pre and post Reform*

	\$758,627*
	*Prices above require approval from the Aged Care Pricing Commissioner

Income Thresholds – pre Reform

	Income Free Area (annual)
	\$34,762
	\$76,871
	\$34,034

Residential Aged Care Accommodation Supplements – pre and post Reform*

Eligibility	Supplement	Equiv. RAC 01/10/2025
If facility is significantly refurbished or newly built		
More than 40% low means residents	\$70.94	\$340,250
40% or fewer low means residents	\$53.21	\$255,212
If the facility meets building requirements Aged Care (Transitional Provisions) Principles 2014		
More than 40% low means residents	\$46.26	\$221,878
40% or fewer low means residents	\$34.70	\$166,432

Home Care

Home Care Package Subsidy Rates (Daily) – pre Reform

	Basic Daily Fee	Basic Subsidy	Dementia Supplement
Level 1	\$12.09	\$29.95	\$3.44
Level 2	\$12.78	\$52.67	\$6.06
Level 3	\$13.14	\$114.65	\$13.18
Level 4	\$13.49	\$173.81	\$19.99

Support at Home Costs – post Reform*

	Clinical Care	Independence	Everyday Living
	Nursing and Therapists	Showering, Dressing, Medications	Cleaning, Gardening, Meals, Shopping
Full Pensioner	0	5%	17.5%
Part-pensioner CSHCC Holder	0	5% – 50% based on assets and income	17.5% – 80% based on assets and income
Self-funded	0	50%	80%

Support at Home Levels and Funding – post Reform*

The dollar figures in the table below are current indicative budget estimates.

Classification	Quarterly	Annual Amount
1	\$2,750	\$11,000
2	\$4,000	\$16,000
3	\$5,500	\$22,000
4	\$7,500	\$30,000
5	\$10,000	\$40,000
6	\$12,000	\$48,000
7	\$14,500	\$58,000
8	\$19,500	\$78,000
Restorative Care Pathway	\$6,000 (12 weeks)	
End-of-Life Pathway	May be increased to \$12,000 when eligible	
Assistive Technology and Home Mods	\$25,000 (12 weeks)	
	Low, medium and high funding tiers based on assessed need.	

Figures current as at 1 November 2025. *Post Reform are draft figures at time of publication and may be subject to change.

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**Retirement Living +
Aged Care Specialist®**



Discover Generation Life

Generation Life is the market leader and innovator in tax-aware investing, intergenerational wealth transfer, succession planning, and retirement income solutions.

As a wholly owned subsidiary of Generation Development Group, we are proud to be part of a broader Group that includes Lonsec Research and Ratings, and Evidentia Group.



>\$4.8b
in FUM¹



#1 provider of
investment bond
60% market share of
investment bond inflows²



Innovating retirement
landscape
with estate planning and
lifetime income solutions



Trusted and
APRA regulated
Parent company
ASX 200 listed³

1. As at 30 September 2025
2. Plan for Life, Investment Bonds Market Report for period ended 30 June 2025.
3. ASX 200 inclusion on the 24th of April 2025.





The growing demand for advice for your older clients

Did you know...

In the next 40 years

Population aged over 65 set to more than double and population over 85 set to more than triple¹

>120,000 older Australians

Waiting for assessment for support packages to help them live at home²

87,000 older Australians

Approved for home care packages but still waiting to receive care²

Growing pressure on the recipient

Royal Commission recommends more responsibility for the cost of care to individuals.³

2.65 million receive Age Pension

32.5%⁴ are part-pensioners

17.6 % Income tested part-pensioners

14.9% Asset-tested part-pensioners⁴

1. Intergenerational Report 2023: Australia's future to 2063, Aus Government <https://treasury.gov.au/sites/default/files/2023-08/p2023-435150.pdf> accessed 6 November 2025

2. <https://www.abc.net.au/news/2025-08-29/waitlists-for-at-home-support-for-older-australians/105714918>

3. <https://clarityagedcare.com.au/blog/self-funded-retirees-face-higher-aged-care-fees-from-1-november#:~:text=On%20November%201%20a%20seismic,following%20concern%20from%20the%20industry>

4. Based on Generation Life calculations with reference to information at: <https://thewest.com.au/business/your-money/where-all-our-age-pensioners-are-living-how-much-they-get-and-other-stunning-facts-about-the-welfare-system-c-19481124>, published 25 August 2025 and accessed 6 November 2025



The opportunity to improve outcomes..



Improving
pension
entitlements

Managing
support at home
care fees

Managing
residential
aged care fees

Qualifying for the
Commonwealth
Seniors Health
Card

Prepaid
funeral
expenses



Lifeline





LifelIncome

Innovations to lifetime annuities providing choice and flexibility

An income guaranteed for life

Higher starting income with LifeBooster can mean more cumulative income sooner

Investment choice and switching at anytime¹

Across all major asset classes including purpose-built investment options

Reversionary beneficiary

Option for reversionary percentage including non-spouse reversionary²

Death Benefit & Withdrawal Benefit

Protect your spouse / loved one whilst having flexibility and peace of mind

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

2. If commencing LifelIncome with superannuation money, you can only nominate your spouse to receive income after you pass away. If commencing LifelIncome with non-superannuation money, you can nominate you spouse or any other person such as a child or sibling.





Centrelink treatment of LifeIncome

Means tested asset value

60% of your investment amount. From age 85, only 30% is assessed (subject to a minimum of 5 years)

Means tested income

Only 60% of your LifeIncome annual income

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

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.

6 key differences to CPI-linked lifetime annuities

1.

Higher starting income

2.

Starting income doesn't change with investment market movements

3.

Flexibility to change investment outcome

4.

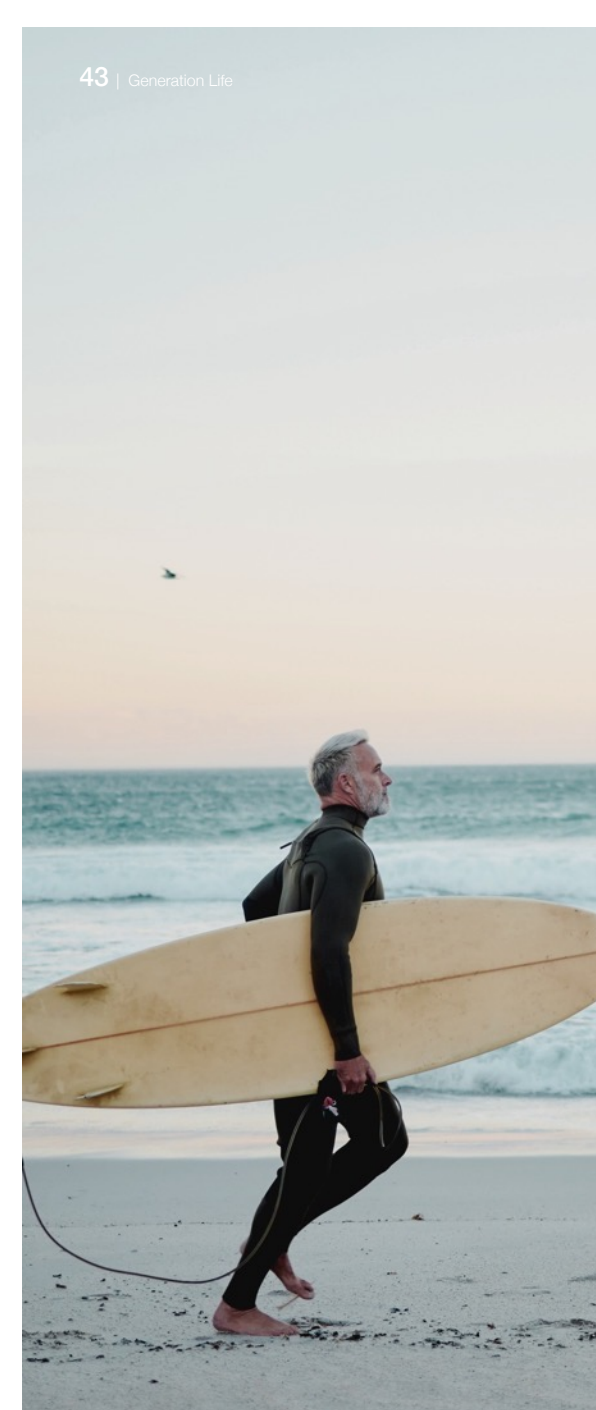
Potential for more cumulative income

5.

Income redistribution rate

6.

Ongoing adviser involvement






Bonds Custodian Trust



Bonds Custodian Trust and Centrelink


Investment bonds used through a Generation Life bare trust structure can remove or limit income testing for age pensions, home care packages and may limit the effects of the means tested fees for residential aged care




Simple, no cost 'Bare' trust



Holds only Generation Life Investment Bond



Can meet DSS Designated Private Trust criteria



Not counted under the 'income test'¹

1. Providing no withdrawals are made.





FuneralBond





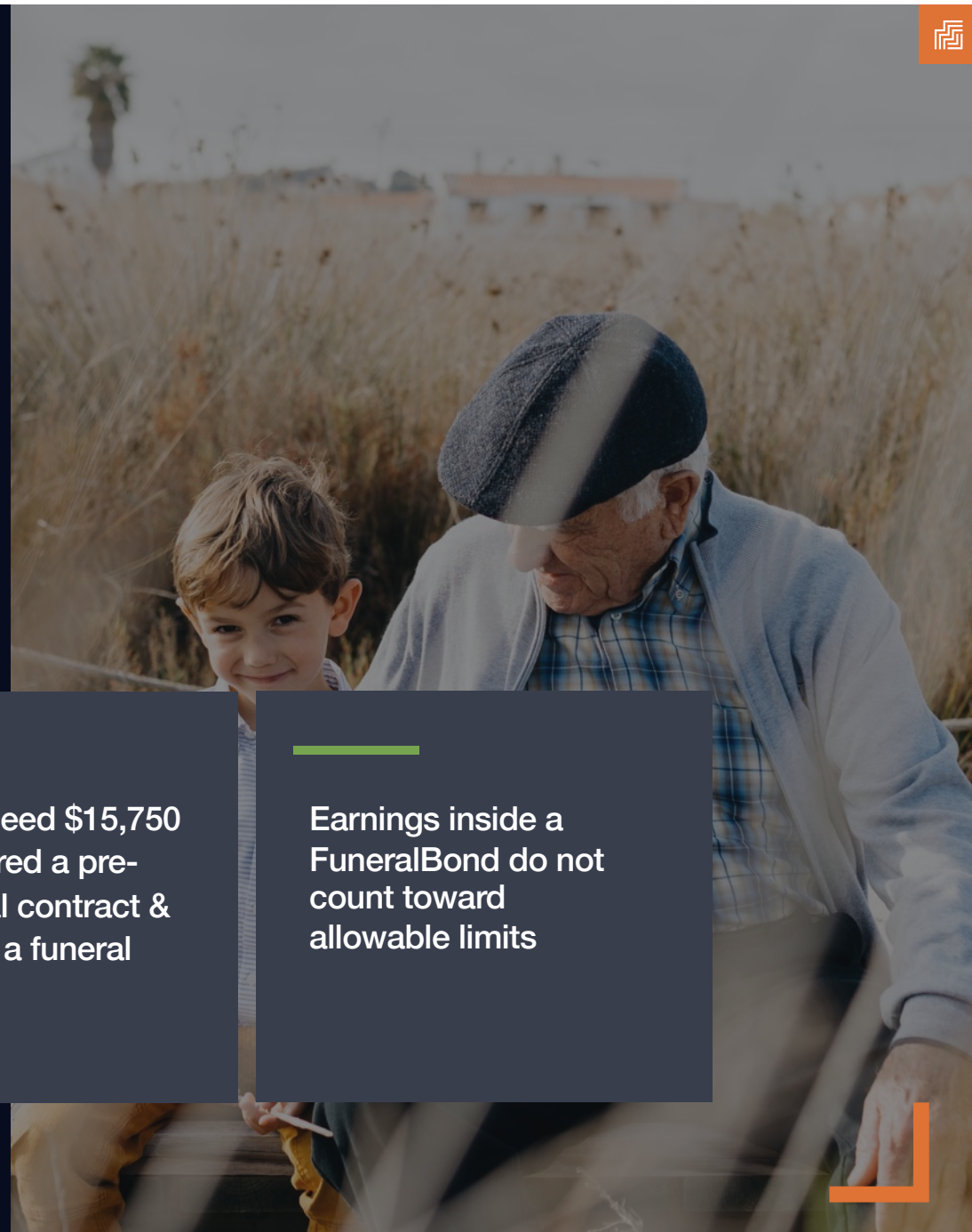
FuneralBond and Centrelink

FuneralBond exempt from assets and income test for Age pension if within allowable limit of \$15,750 per individual

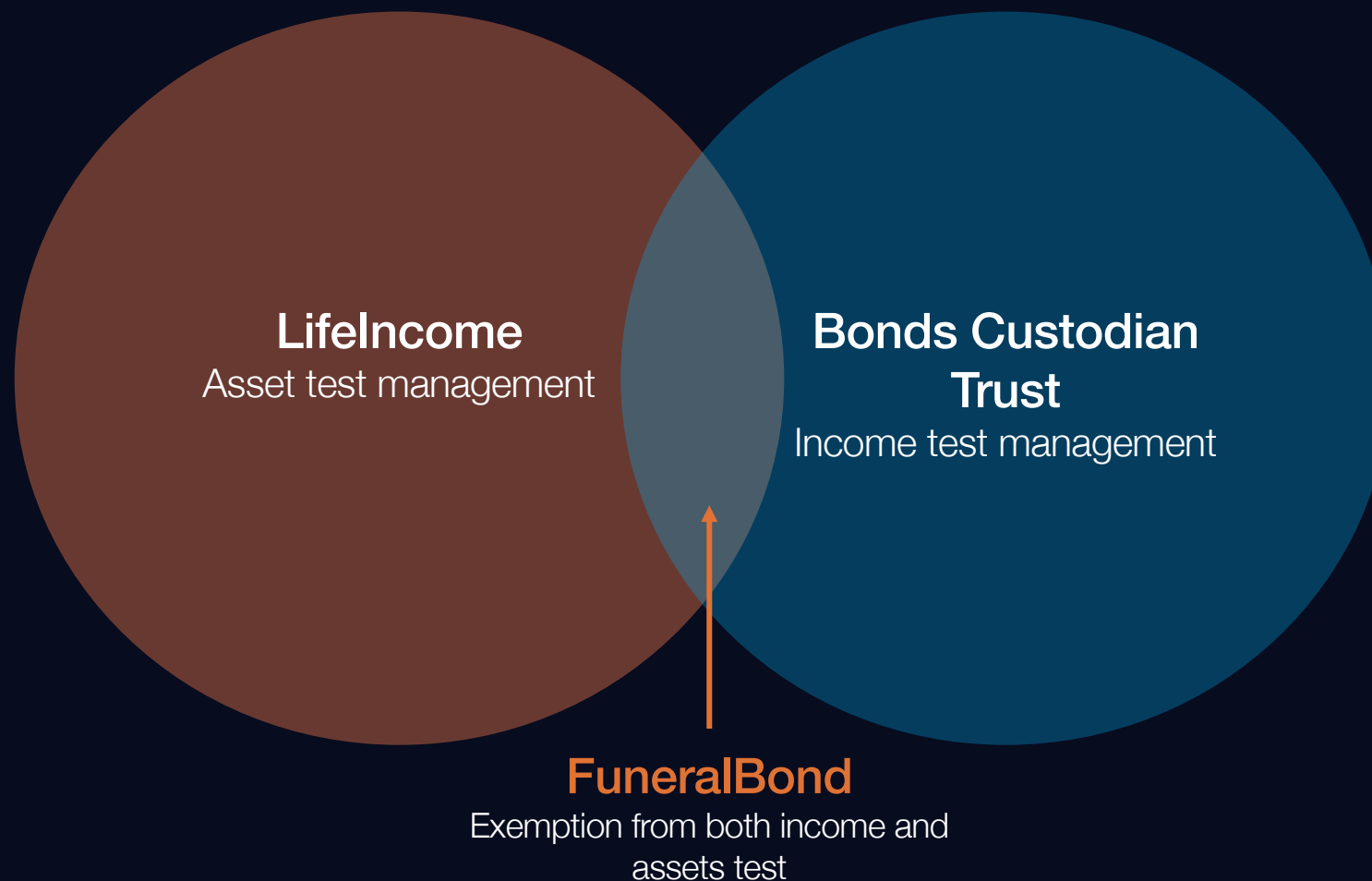
If the allowable limit is exceeded even by only \$1, FuneralBond becomes non-exempt

Able to exceed \$15,750 limit if entered a pre-paid funeral contract & assign it to a funeral director

Earnings inside a FuneralBond do not count toward allowable limits



Help your clients boost their Government benefits and entitlements



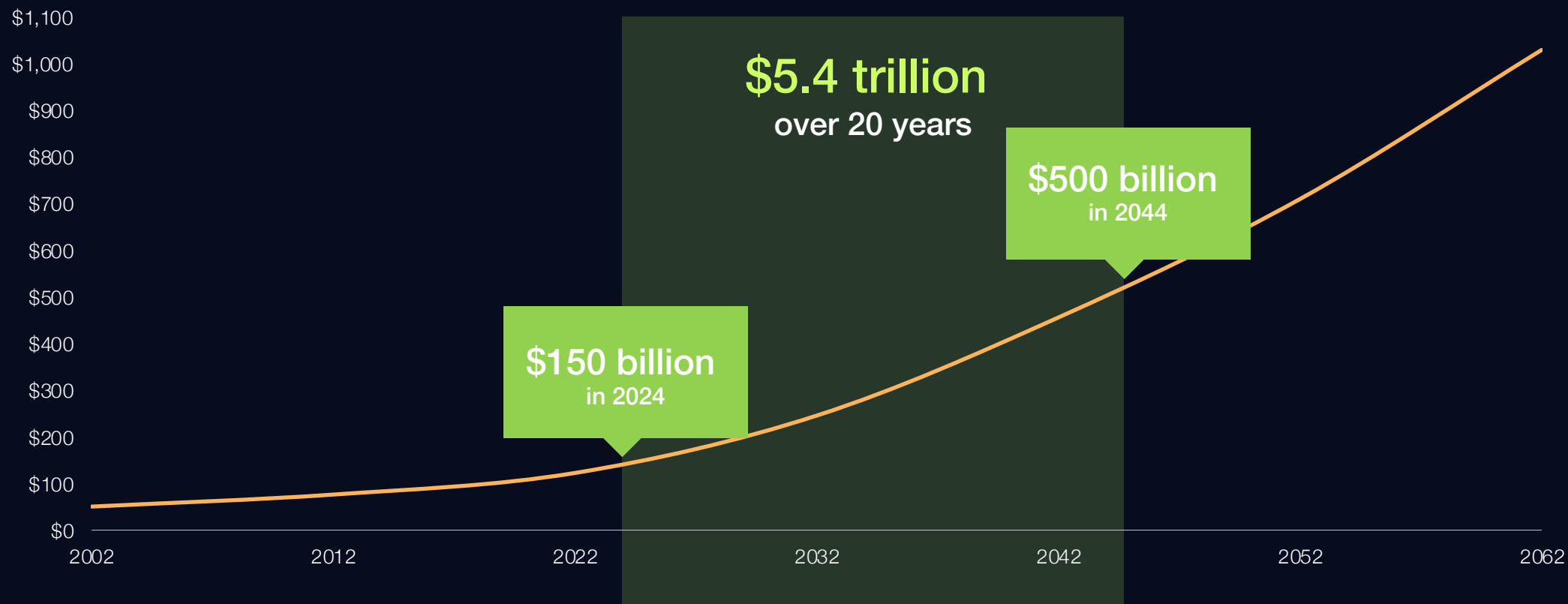


Estate Planning



Wealth transfer opportunity is set to grow...

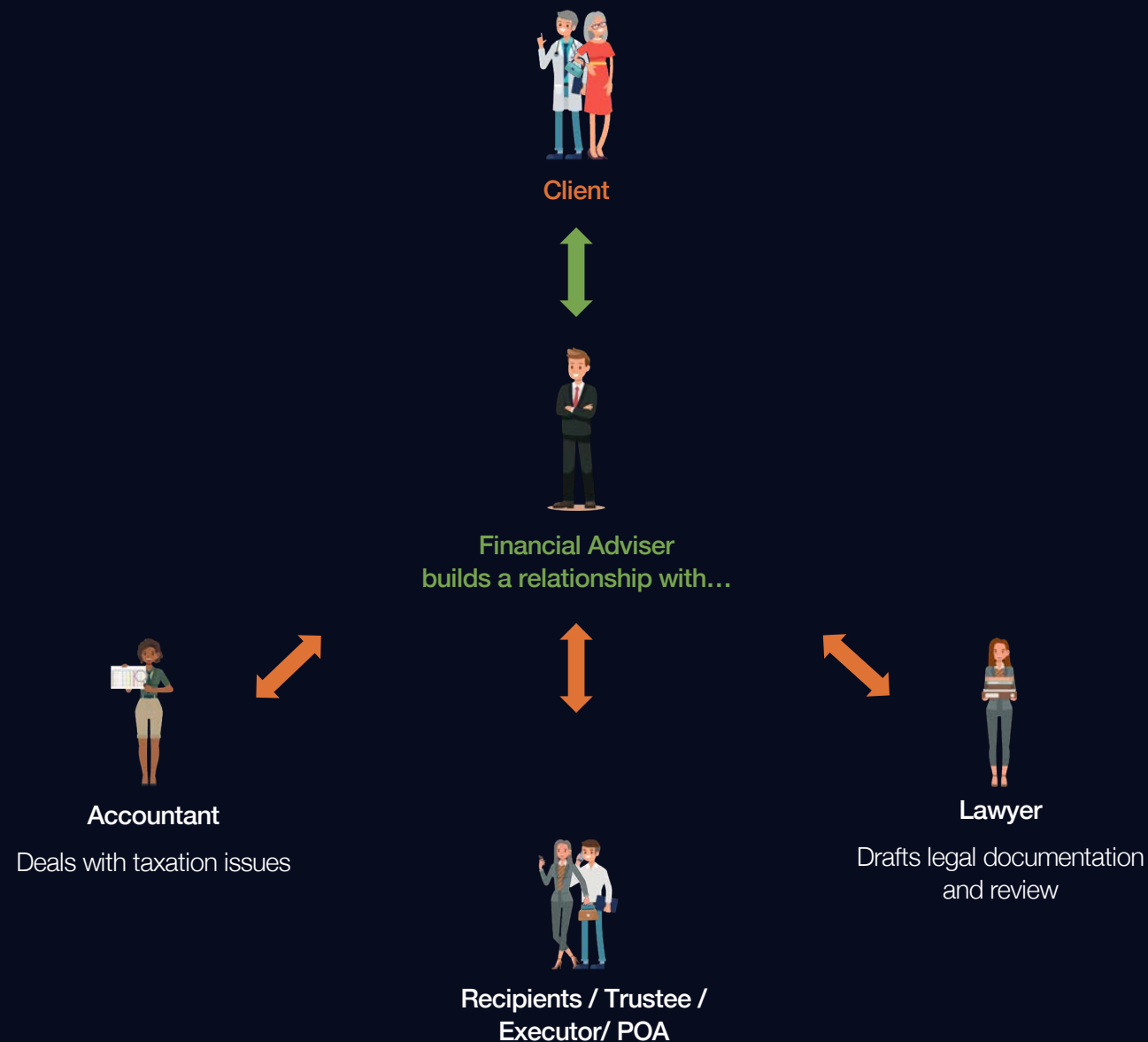
Total Australian annual inheritance 2002-2062 (2024 \$ billion)



Source: JBWere Australia, Family Advisory and Philanthropic Services, The Bequest Report - Reshaping Australia by passing on more than assets July 2024, accessed 20 March 2025



**Financial Advisers know
their clients' personal
situations better than any
other professional.**





Complexities associated with estate planning

Be in control of transferring your wealth



1.

Balance between
Children and
Grandchildren

2.

Balance between
Biological Children
and Stepchildren

3.

Leaving a legacy
outside the
direct family

4.

Leaving an
unequal
inheritance

5.

Complexities
when passing
wealth on through
superannuation

6.

Creating an
income stream
legacy





Four ways to transfer wealth with Generation Life's solutions

LifeBuilder's EstatePlanner provides three options to manage future wealth transfers and estate planning needs simply and conveniently. LifeIncome can present an income stream legacy.

Future Event Transfer

Nominate a beneficiary

Pass onto the Estate

Reversionary income
stream legacy

Case study

Support at home





Meet Jeff...

Age	72 and retired
Home	\$1,000,000
Contents	\$10,000
Cash at bank	\$400,000
Defined Benefit Pension	\$20,000 p.a.



Jeff's objectives...

- | | |
|---|---|
| <input type="checkbox"/> Cover aged care costs comfortably to minimise the erosion of his savings | <input type="checkbox"/> Maximise his Age Pension entitlement through efficient asset structuring |
| <input type="checkbox"/> Maintain independence and lifestyle for as long as possible | <input type="checkbox"/> Keep his finances simple and maintain flexibility for his family |





Jeff's solution...

	Level 4 package	Current situation	Bonds Custodian Trust \$400,000	Savings
Aged Care Costs		Contribution	Contribution	
Clinical Care	\$6,000	\$0	\$0	
Everyday Living	\$14,000	\$1,663	\$1,193	\$470
Independence	\$10,000	\$4,712	\$3,797	\$915
Total	\$30,000	\$6,375	\$4,990	\$1,385
Age Pension		\$18,622	\$23,490	\$4,868
			Total savings	\$6,253



These calculations are based on Aged Care Guru's Advice Builder software system as at October 2025. The above amounts are estimates and do not consider fees, charges and taxes (if any) payable. Green represent total improvement figures.



Jeff's outcome if he invests \$400,000 into BCT



Increased Age Pension by
\$4,868 p.a.



Reduced Aged Care
Costs by \$1,385 p.a.



Total improved Centrelink
benefit of \$6,253 p.a.



More control and certainty
over his estate





Case study

Boosting retirement cashflow





Meet Adele and Anthony...

Age	Both 80
Situation	Homeowners with access to in-home care services
Home Care	Adele's Home Care Package is level 2 Anthony's Home Care Package is level 6





Adele and Anthony’s situation...

Home	\$1,000,000
Contents	\$10,000
Cash at bank	\$800,000
Defined Benefit Pension	\$44,000 p.a.



Adele and Anthony's objective...

- ❑ Adele and Anthony are looking to reduce their home care fees
- ❑ Speaking to their financial adviser around restructuring their assets to improve their Centrelink outcomes





Adele and Anthony’s solution...

Adele and Anthony’s financial adviser recommends they purchase a LifeIncome for \$100,000, invest \$650,000 – Bonds Custodian Trust (‘BCT’) and two Funeral Bonds for \$31,500.

Adele’s cost of care	Level 2 package	Current situation	Proposed restructure	Savings	Anthony’s cost of care	Level 6 package	Current situation	Proposed restructure	Savings
Aged Care Costs		Contribution	Contribution		Aged Care Costs		Contribution	Contribution	
Clinical Care	\$3,200	\$0	\$0		Clinical Care	\$9,600	\$0	\$0	
Everyday Living	\$8,000	\$3,222	\$2,782		Everyday Living	\$22,000	\$8,861	\$7,652	
Independence	\$4,800	\$1,027	\$837		Independence	\$16,400	\$3,510	\$2,861	
Total	\$16,000	\$4,249	\$3,620	\$630	Total	\$48,000	\$12,371	\$10,513	\$1,858
Age Pension		\$9,602	\$13,078	\$3,476	Age Pension		\$9,602	\$13,078	\$3,476
Total benefit				\$4,106	Total benefit				\$5,334

In the new world independence and everyday living fees increases with level of package required.

Couple’s combined benefits \$9,440

These calculations are based on Aged Care Guru’s Advice Builder software system as at October 2025. The above amounts are estimates and do not consider fees, charges and taxes (if any) payable. Green represent the total improvement figures.



If Adele and Anthony decide to...



Adele and Anthony



Investment bond

\$600,000

Establish an investment bond of \$600,000 nominating their two adult children as beneficiaries. Funds are available if RAD required

Grandchild 1

\$10,000

Grandchild 2

\$10,000

Grandchild 3

\$10,000

Grandchild 4

\$10,000

Grandchild 5

\$10,000

Establish 5 investment bonds for \$10,000 each for each grandchild. Select the Future Event Transfer facility to transfer ownership at age 25 with the ability to control access.



Adele and Anthony's outcomes...

Investing \$650,000 into BCT, \$100,000 LifeIncome and 2 Funeral Bonds \$31,500

✓ Combine benefit of \$9,440
Cost of care lowered in year 1
plus additional Age Pension

✓ Additional income from annuity
will assist with care fees

✓ Takes away the burden of funeral
expenses from loved ones

✓ Opportunity to address estate
planning wishes

✓ Opportunity to pass assets on
first spouse passing to alleviate
Centrelink burden on remaining
spouse

✓ Additional benefit of leaving a
legacy



Case study

Residential aged care





Meet Vivienne and Alan...

Age

Vivienne is 73

Alan is 82

Situation

Married and homeowners

Aged Care

Alan has been approved for residential aged care



Vivienne and Alan have...

Vivienne’s account-based pension	\$700,000
Alan’s Refundable Accommodation Deposit (RAD)	\$750,000
Home	\$1,000,000
Contents	\$15,000
Cash at bank	\$100,000



Vivienne and Alan's objectives...

□ Increase their overall cashflow to supplement Vivienne's lifestyle needs and pay Alan's aged care fees.

□ Maximise their annual illness separated pension rate and reduce their aged care costs where possible.



Vivienne and Alan's solution...

	Current situation	\$300,000 LifeIncome and 2 Funeral Bonds \$31,500	Savings	
Basic daily fee	\$23,926	\$23,926		
Hotelling Supplement	\$8,085	\$8,085		
Non-clinical Care contribution	\$19,590	\$13,662		\$5,928
Vivienne's lifestyle needs	\$35,000	\$35,000		
Total expenses	\$86,600	\$80,672		
Vivienne's ABP drawdown	\$35,000	\$20,000		
Annuity Income		\$23,982		
Cash at bank @ 4%	\$4,000	\$4,000		
Illness Separated Age Pension	\$35,279	\$47,096		\$11,817
Total Cashflow	\$74,279	\$95,078	Total Savings	\$17,745



Vivienne and Alan's outcomes...

Purchases LifeIncome of \$300,000 and invests into 2 Funeral Bonds \$31,500

✓ \$17,745
Total combined savings

✓ \$11,817
Age Pension uplift in year 1

✓ Able to take away the burden of funeral expenses from loved ones

✓ Reduction in Alan's Non-clinical Care contribution

✓ Fortnightly payment guaranteed for life

✓ If Alan passes away, Vivienne has valuable income



Key takeaways

Greater need for adviser involvement in structures for support at home and residential aged care

Addressing the need for increased cash flow throughout their stages of retirement.

Opportunities with intergenerational wealth transfers and helping clients leave a legacy

With regulatory changes there may be more emphasis on support at home recipients due to growing demand

Generation Life can assist for benefits to cost of care and Age Pension eligibility





Thank you.

Generation Life

Highly recommended for over a decade

Awards



Research ratings



Investment Bonds¹



Zenith for Generation Life
Tax Effective Australian
Share Fund

1. Rating relate to LifeBuilder and ChildBuilder investment bond products





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