

**GET THE MOST
FROM YOUR
RETIREMENT.**



WELCOME TO COMMINSURE'S LIFETIME INCOME ANNUITIES.

CommInsure is one of Australia's leading insurance and annuities providers with over four million customers.

Why CommInsure?

We have a history of financial **strength**, **security** and **reliability** dating back over 140 years.

We are committed to meeting the insurance, retirement and investment needs of individual Australians. We do this by making our wide range of award winning products and services, from general and life insurance to guaranteed annuities, more affordable, more accessible and easier to understand.

Our fresh approach to straightforward insurance and investment solutions combines innovation and simplicity with competitive products and responsive service.

CommInsure Annuities

Guaranteed annuities – an income you can trust.



FOR

Customers looking for a secure guaranteed income in retirement.



WHO

CommInsure's history in the Australian insurance industry dates back over 140 years.



GIVING YOU

A level of confidence and peace of mind in retirement by delivering a regular, reliable and secure income.

Awards



CommInsure's Lifestream Guaranteed Income annuity has received the 2016 Association of Financial Advisers (AFA) Annuity & Income Stream Innovation Award for the recent introduction of the Death Benefit Guarantee feature.

GUARANTEED ANNUITIES. AN INCOME YOU CAN TRUST.

The retirement landscape is changing.

Australians are now living longer than ever before, which means our super and savings need to stretch further. Having a flexible and reliable retirement plan, that preserves your wealth for the future is vital to ensuring you have enough money to last the rest of your life.



INFLATION

A little inflation can have a big impact. Your dollar today will buy less in 10 years time.



MARKET RISK

Changes in financial markets means your wealth can slowly slip away.



LONGEVITY RISK

You could outlive your savings. Women aged 65 today could live another 22 years.

Men of the same age could live another 19 years.



SEQUENCING RISK

Your investments could underperform at the wrong time.

Source: Australia's Welfare Report 2013, Australian Institute of Health and Welfare 2013.

BALANCED RETIREMENT PORTFOLIO.

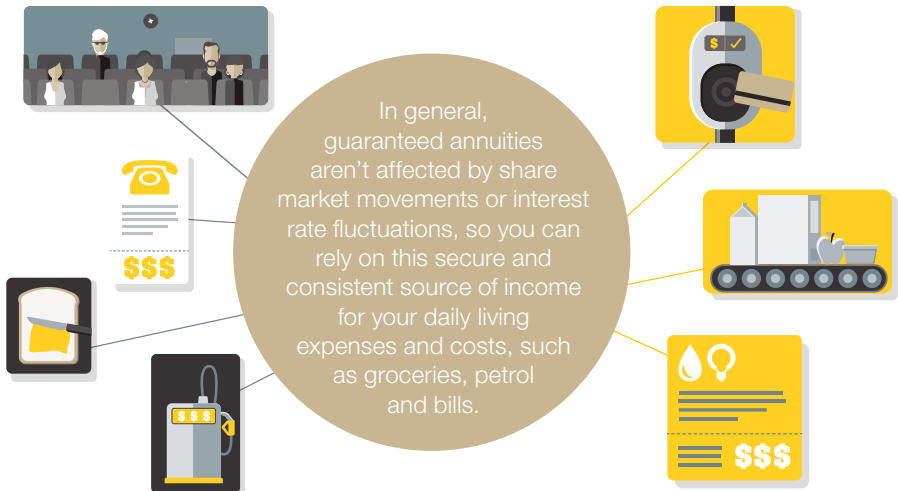
When you retire it's important to consider diversifying your investments and reducing your exposure to risk. Annuities, as part of a balanced portfolio, can provide you with a secure and guaranteed source of income, allowing you to better manage your cash flow, deal with the unexpected and plan for the future ahead.



WHAT IS AN ANNUITY?

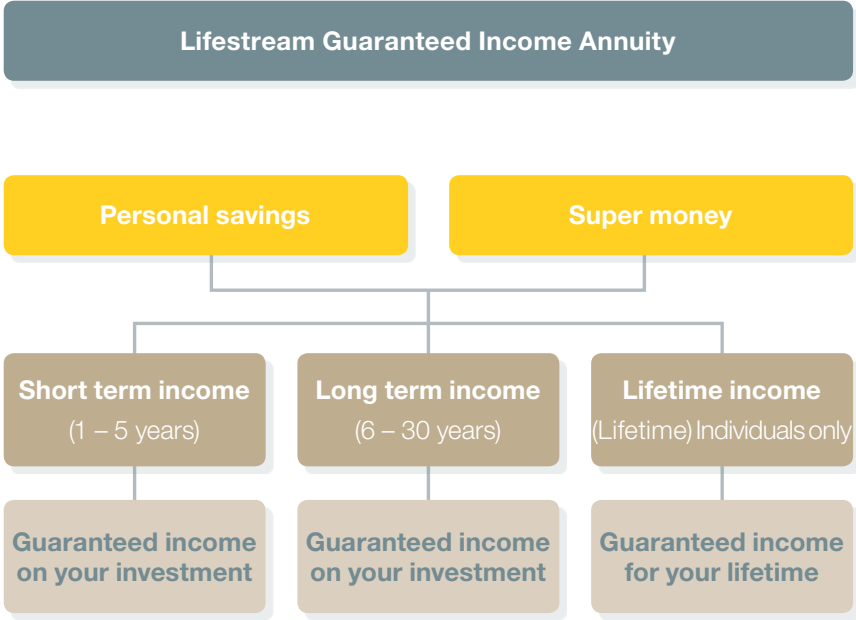
An annuity is a low risk investment that pays you a guaranteed regular income, either for a set period of time or for the rest of your life.

Using either your super* or personal savings, you can invest an initial lump sum and payments are then made to you based on the initial investment amount, the length of the investment term, the residual capital value (how much of the capital will be returned at the end of the term) and the frequency of your payments.



* From 1 July 2017 the total amount of superannuation that can be transferred into retirement phase will be capped at \$1.6 million. The cap will be indexed in \$100,000 increments in line with the consumer price index (CPI).

TYPES OF ANNUITIES



FEATURES AT A GLANCE

- Capital and income are guaranteed.
- Investment terms can be fixed for a short period of time, a longer term or for the rest of your life.
- Payments can be made monthly, quarterly, half yearly or yearly.
- For long term and lifetime annuities, payments can increase each year by a fixed rate of up to eight per cent, or in line with the consumer price index, protecting your money from changes in inflation.
- Some, or all of your capital can be returned at the end of the selected fixed term.
- The minimum investment amount is \$10,000.*
- A guaranteed death benefit payable on Lifetime Income annuities with a selected guaranteed period.

* There is no limit to the amount that investors can invest with personal savings. For investments made with super money, the maximum amount an investor can invest is \$1.6 million.

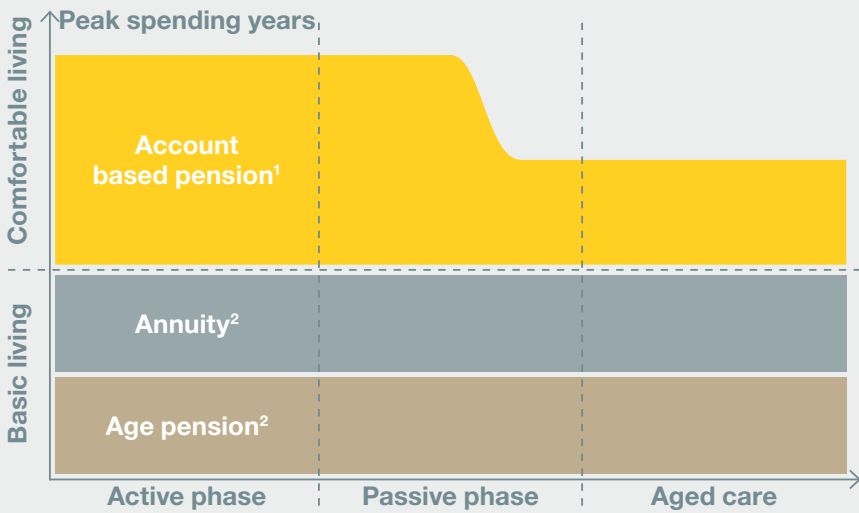
INVEST YOUR SUPER AND RECEIVE TAX BENEFITS

Generally, if you're aged 60 or over your income will be tax free in most circumstances. If you're between 55 and 59 years you'll receive a 15 per cent tax offset on the assessable portion of your payments.

UNDERSTANDING INCOME LAYERING

Understanding how to layer your income is an important part of retirement planning. Income layering is a way of matching your cash flow to different types of expenses and can be better achieved through diversifying your various income streams. Not only are you less exposed to risk, but there may be tax and social security benefits from using a combination of guaranteed annuities, account based pensions and other income streams.

The diagram below shows how the security of the age pension, combined with a lifetime annuity can be used to layer your income and help you meet your everyday expenses. Taking this approach also means any money you have in an account based pension can remain invested, giving it time to grow.



¹ABP provides the diversified sources of income to cover other expenses to provide for a comfortable retirement.

²Annuities and age pension provide life long sources of income to cover basic income needs.

ANNUITY AND ACCOUNT BASED PENSION CASE STUDY – PART I.

This case study is to help you understand how guaranteed annuities work as part of a balanced portfolio and is for illustrative purposes only. Your retirement strategy requires careful consideration and good financial advice. You should ask your financial adviser if guaranteed annuities are right for you.



PETER
65



SANDRA
65

Peter aged 65 and Sandra aged 65 plan to retire soon but they're concerned about having enough income to maintain their comfortable lifestyle.

\$51,000 With the help of their financial adviser, Peter and Sandra estimate they'll need \$51,000 per annum.

\$24,000 Of the \$51,000 per annum, their basic living expenses will be approximately \$24,000 and their discretionary expenditure around \$27,000.

Peter's superannuation balance is \$500,000 and Sandra's is \$200,000. They also have \$30,000 in cash and term deposits which, when added to the value of their home contents and car, totals an extra \$40,000.

To help Peter and Sandra secure a guaranteed source of retirement income, their financial adviser recommends they each invest some of their superannuation in a Lifetime Income annuity with a Guaranteed Period up to life expectancy. The income from this will cover their basic living expenses and it means the remaining money can be put in an account based pension to cover discretionary spending.

Basic living expenses

Guaranteed Annuity – Lifetime Income:

Peter invests \$100,000

Sandra invests \$50,000



Discretionary expenditure

Account based pension:

Peter invests \$400,000

Sandra invests \$150,000

THE TABLE BELOW ILLUSTRATES PETER AND SANDRA'S YEAR ONE CASH FLOW.

	 Peter	 Sandra	Total
Annuity	\$5,370	\$2,561	\$7,931
Age pension	\$7,795	\$7,795	\$15,590
Interest	\$450	\$450	\$900
Account based pension	\$20,000	\$7,500	\$27,500
Total income	\$33,615	\$18,306	\$51,921

ASSUMPTIONS:

- Lifestream guaranteed annuity – lifetime with a guaranteed period up to life expectancy and no adviser fees
- clients' age pension is asset tested
- interest on cash and fixed interest is three per cent
- account based pension payments exceed the minimum annual payment.

LIFETIME INCOME ANNUITY WITH DEATH BENEFIT GUARANTEE

CASE STUDY - PART 2.

This case study is to help you understand how a lifetime annuity with a guaranteed period works should Peter or Sandra pass away after starting their annuity but before the end of their chosen guaranteed period. This is for illustrative purposes only.



PETER
65



SANDRA
65

Based on Peter's age, the superannuation annuity income stream he will receive annually from his lifetime annuity will be tax-free*, even if he lives beyond his current life expectancy of age 85.

\$100,000

With the help of his financial adviser, Peter invested \$100,000 of his superannuation in a Lifetime Income annuity.

20 YEARS

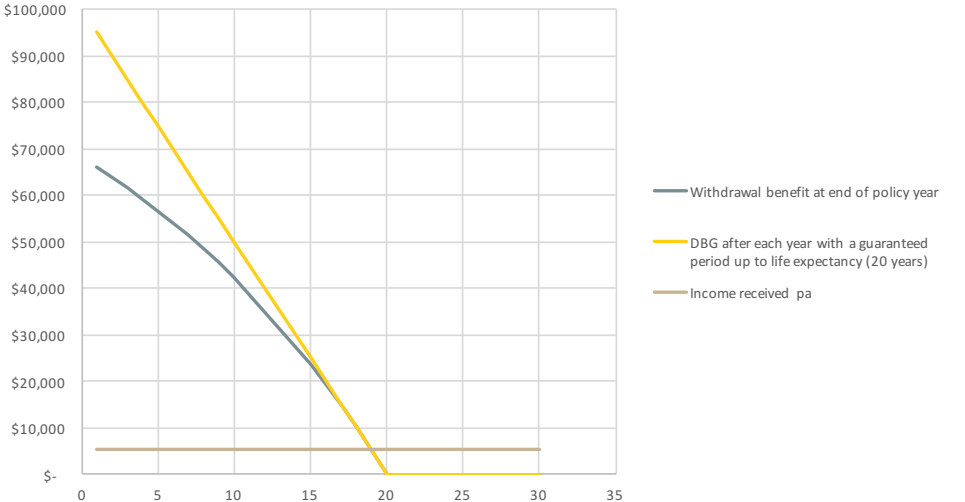
He also elected a guaranteed period of 20 years, as Peter's life expectancy is 19.2 years.

Should Peter unexpectedly pass away in the next 20 years, CommInsure's Death Benefit Guarantee (DBG) gives Sandra, as the reversionary beneficiary, the option of receiving a lump sum payment or continuing to receive regular payments.

The table on the next page illustrates how the DBG is calculated if regular payments are made annually.

* Assumes Peter has not exceeded his general transfer balance cap.

Death occurs after year:	DBG after each year with a guaranteed period up to life expectancy (20 years)	Income received pa	Cumulative income received
1	\$95,000	\$5,370	\$5,370
2	\$90,000	\$5,370	\$10,740
3	\$85,000	\$5,370	\$16,110
4	\$80,000	\$5,370	\$21,480
5	\$75,000	\$5,370	\$26,850
6	\$70,000	\$5,370	\$32,220
7	\$65,000	\$5,370	\$37,590
8	\$60,000	\$5,370	\$42,960
9	\$55,000	\$5,370	\$48,330
10	\$50,000	\$5,370	\$53,700
15	\$25,000	\$5,370	\$80,550
16	\$20,000	\$5,370	\$85,920
17	\$15,000	\$5,370	\$91,290
18	\$10,000	\$5,370	\$96,660
19	\$5,000	\$5,370	\$102,030
20	\$0	\$5,370	\$107,400
25	\$0	\$5,370	\$134,250
30	\$0	\$5,370	\$161,100



WANT TO KNOW MORE?

We recommend you speak with a financial adviser to determine if a guaranteed annuity is right for you and your investment portfolio.

Alternatively, you can contact us on **1800 624 100** between 8.30 am and 6 pm (Sydney time), Monday to Friday or visit **commbank.com.au/annuities**

Things you should know: This brochure has been prepared by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA), a wholly owned but non-guaranteed subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945. The case study in this brochure is for illustrative purposes only and does not constitute advice. The information in this document is general information only and does not take into account an individual's objectives, financial situation or needs. Individuals should assess whether the information is appropriate for them and consider talking to a financial adviser before making an investment decision. Individuals should obtain a copy of the Product Disclosure Statement (PDS) before making a decision to invest. Individuals wanting to apply for an annuity will need to complete the application process described in the PDS. The assumptions are based on the continuation of present taxation laws, superannuation laws, social security laws, rulings and their interpretation as at 1 July 2017. You should read the PDS Lifestream Guaranteed Income annuities for more information. It is available by ringing 1800 624 100 between 8.30 am and 6 pm (Sydney time time), Monday to Friday. CommInsure is a registered business name of CMLA. Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information. CMLA is not a registered tax (financial) adviser under the Tax Agent Services Act 2009 and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on information in the case study to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law. 24191/0617 CIL1804 010717