



25 January 2019

**Centuria Investment Bonds**  
**IMPORTANT PDS UPDATE**

**This PDS Update provides important information relevant to new investors in the Centuria Investment Bonds ('Fund').**

*This PDS Update accompanies the Product Disclosure Statement (PDS) issued by Centuria Life Limited (ABN 79 087 649 054) (AFSL 230 867) for the Centuria Investment Bonds dated 23 October 2018. You should read the PDS and the Application Form together in full before applying to invest as it provides important information about investing in the Fund.*

Centuria Life Limited has transitioned its share registry service provider for the Fund to Boardroom Pty Limited effective Tuesday, 29 January 2019. The following information replaces information contained in the attached PDS relating to the change of registry and the resulting changes to new applications in the Fund.

**How to complete your Application (URL changed from PDS)**

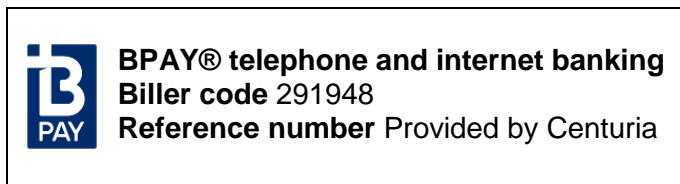
Investor Applications are now made using [centuriainvestor.com.au/investmentbond/apply](http://centuriainvestor.com.au/investmentbond/apply)

**Payment methods have changed**

**Please disregard all payment methods noted on page 38 of the PDS and use the following information:**

Please select one of the three payment methods on your Application Form. All payments must be made in Australian dollars (AUD).

**1. BPAY® telephone and internet banking**



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You can make payment with your bank using telephone or internet banking. You will need to quote the biller code and reference number when making your payment. Once your original Application is accepted, Centuria Investor Services will contact you by phone or email to provide you with your BPAY Reference Number. If you are an existing investor you can use your Investor Number as your BPAY reference.

**2. Cheque**

Please make cheques payable to "Centuria Investment Bonds Applications" and attach with your original Application Form when posting. Please cross and write 'not negotiable' on Australian cheques only.



### 3. Electronic Funds Transfer

Please transfer funds electronically to the following account and send your completed Application Form to the address below.

Account Name: Centuria Investment Bonds Application Account  
BSB: 332-127  
Account Number: 555 285 388  
Your reference: Please use the name of your investment entity

It is important to include your **investment entity** as your reference to ensure there is no delay in allotting your Units in the Fund. If you are an existing Centuria Investor you can use your Investor Number.

### 4. Direct Debit

By completing this section, you have understood and agreed to the terms and conditions governing the direct debit arrangements between you and Boardroom Pty Limited, as set out in this request and the direct debit service agreement.

#### **Where to send your Application (Address listed on page 37 of the PDS has changed)**

Centuria Investment Bonds C/O Centuria Investor Services  
GPO Box 3993  
Sydney NSW 2001

**Please Note:** Your Application cannot be processed until your original Application Form, payment and the required identification documents have been received by Centuria Life Limited.

#### **Assistance and further information**

If you have any questions regarding an investment in the Fund, please contact your financial adviser directly or call Centuria Investor Services on 1300 50 50 50 (within Australia) or call +61 2 9290 9689 (outside Australia) or email [Bonds.Enquiry@CenturiaInvestor.com.au](mailto:Bonds.Enquiry@CenturiaInvestor.com.au).

Yours sincerely,

**Michael Blake**  
Head of Centuria Life

# Centuria Investment Bonds



Simple | Flexible | Versatile

**Product Disclosure Statement**

Centuria Life Limited  
ABN: 79 087 649 054  
AFSL: 230 867

1 November 2018



A Centuria  
Investment Bond  
can help you save  
for retirement when  
superannuation  
alone is not enough

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**Centuria's Investment Bonds**  
are designed for investors seeking  
a tax-effective investment over the  
medium- to long-term

# Centuria Investment Bonds

## Important Information

Centuria Life Limited ABN 79 087 649 054 AFSL 230867 (**Centuria**) is the issuer of this Product Disclosure Statement (**PDS**) and the Centuria Investment Bonds. Centuria is solely responsible for the contents of this PDS.

### The Centuria Investment Bonds

This PDS provides details about the investment products available through the following Benefit Funds established by Centuria under Rule A Centuria Flexible Investment Funds of its Constitution ("**Rule A**"):

- Centuria Capital Guaranteed Bond Fund (**the "Capital Guaranteed Bond"**);
- Centuria Cash Plus Fund (**the "Cash Plus Bond"**);
- Centuria Balanced Fund (**the "Balanced Bond"**);
- Centuria Growth Bond Fund (**the "Growth Bond"**);
- Centuria Australian Shares Fund (**the "Australian Shares Bond"**).

Each of these Benefit Funds are unit-linked with the exception of the Capital Guaranteed Bond which is capital guaranteed. For the purposes of the PDS, they are described as Investment Options.

Each Investment Option is a separate Benefit Fund established by Centuria under the Life Insurance Act. Throughout this PDS, these five Benefit Funds are referred to as "Centuria Investment Bonds" or the "Bonds".

An investor's interest in the Centuria Investment Bonds is a type of life insurance policy and for the purposes of this PDS, is referred to as a Bond. The investment value of the Bond is represented by the investor's interests in one or more Investment Options.

It is important that you read this PDS carefully before making an investment decision. In preparing this PDS we did not take into account your particular investment objectives, financial situation or needs. As investors' needs and aspirations differ, you should consider whether investing in the Centuria Investment Bonds is appropriate for you relative to your particular needs, objectives and financial circumstances. To help you to make an informed investment decision, we recommend you obtain independent professional advice from a licensed financial adviser and/or tax adviser before investing.

### Investment risk

Please note that past performance is not indicative of future performance.

An investment in the Centuria Investment Bonds can be subject to investment risk, including possible delays in repayment and loss of income and principal invested. Please check on page 20-21 for information about investment risks.

Centuria guarantees the return of capital invested and declared bonuses (net of fees and taxes) for investments in the Centuria Capital Guaranteed Bond on the maturity or redemption of the investment. However, apart from this,

neither Centuria, nor Centuria Capital Limited (**Centuria Capital**), nor any other person guarantees the repayment of your capital or the performance of your investment. Monies invested in the Bonds offered under this PDS do not represent investments in or liabilities of Centuria Capital and its subsidiaries (other than Centuria).

No subsidiary of Centuria Capital, other than Centuria, makes any statement or representation in this PDS.

### About this PDS

Applications to invest in the Bonds may only be made using an application form, which is included in, or accompanies, this PDS or via the online application that can be found at **centuria.com.au/investment-bonds/forms**

The offer or invitation to invest in Bonds under this PDS is only available to persons receiving this PDS (electronically or otherwise) in Australia, and is subject to the terms and conditions described in this PDS.

This PDS does not constitute an offer or invitation in any place outside Australia where, or to any person whom, it would be unlawful to make such an offer or invitation.

If you access an electronic version of this PDS, please ensure you download and read the entire PDS. If you have received this PDS electronically we will provide a paper copy free of charge on request.

### Defined terms and monetary amounts

In this PDS, the terms "we", "us" and "our" refer to Centuria. A list of other defined terms used in this PDS appears in the Glossary on page 33.

All references to monetary amounts in this PDS, including issue and redemption prices, are expressed in Australian currency.

### Updated information

The information in this PDS is up to date at the time of preparation. However, some information in this PDS can change from time to time. If a change is considered materially adverse, then we will issue a supplementary or replacement PDS.

For updated or other information about the Centuria Investment Bonds (such as performance information) or to receive a copy of our PDS please consult your licensed financial adviser, call our Investor Services team on **1300 50 50 50** or visit our website: **www.centuria.com.au/investment-bonds**

We will send you a copy of the updated information or PDS free of charge upon request.

We suggest you retain a copy of this PDS and any supplementary information for future reference.

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Simple  
Flexible  
Versatile



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# How can Centuria's Investment Bonds Benefit You?

## Simple | Flexible | Versatile

**Centuria's Investment Bonds are designed for investors seeking a tax-effective investment over the medium to long term. The Bonds are intended for individuals who want simplicity in their investment, tax planning and estate planning needs covered in one tax-effective investment. Centuria's Investment Bonds have a range of Investment Options that are referred to as Bonds. This PDS provides details about Centuria Investment Bonds.**

### If you have a goal, we have the strategy

Are you building wealth, saving for a property, setting aside an education fund? Do you want to complement your superannuation strategy with a more flexible investment?

Centuria Investment Bonds give investors with medium-to long-term goals the capacity to make tax-effective investment decisions outside superannuation.

### Tax paid for you

The growth and earnings of Centuria Investment Bonds are taxed at a maximum rate of 30%, paid by Centuria from the earnings of each Bond.

### Tax paid after 10 years

You pay no personal income tax on your investment during the Term, and if you hold your investment for more than 10 years, you pay no tax on withdrawals.

You can make once-only, or regular contributions and benefit from the advantages of compound growth to create long-term wealth.

We do not distribute any income until you withdraw your investment. Each Bond's net investment earnings are automatically reinvested, which means you benefit from compounding returns.

### No annual tax reporting

As long as your money remains invested, we will pay tax on investment earnings and there is no requirement to declare those earnings in your annual tax reporting.

### Simple

Establish your investment. We pay the tax and report to you annually. No tax declarations, and no more paperwork.

### Flexible

There are no limits on contributions in the first year and you can contribute up to 125% of the previous year's contributions after that without changing the original start date of your Bond for tax purposes. There are no limits on withdrawals. You can make once-only or regular contributions and withdrawals whenever you like. You can use your Bond to build wealth for the future, supplement your income or save for that big expense.

### Versatile

You can nominate beneficiaries who will receive the proceeds of the Bond without reference to your will. This provides peace of mind knowing your intended beneficiaries will be looked after.

Centuria's Investment Bonds can help you invest for retirement when superannuation alone is not enough.

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Centuria's Investment Bonds are a tax-effective investment to help you grow your wealth.

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Centuria's Investment Bonds give you certainty and simplicity in estate planning.

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# Start Investing today with just \$500



# Benefits of Centuria Investment Bonds

## Centuria Investment Bonds are versatile, tax-effective investments that can be used to meet a range of goals.

Benefit	What does this mean	Key features
<b>Invest tax-effectively</b>	<p>Centuria pays tax on the investment earnings at the company tax rate of 30%, no matter what your personal taxable income and marginal tax rate is.</p> <p>If you hold your Bond for more than 10 years, you pay no personal income tax on withdrawals.</p>	<p>Tax paid within structure at maximum rate of 30%.</p> <p><b>See page 9</b></p>
<b>Build your wealth</b>	<p>You can make additional contributions (up to 125% of the value of total contributions made in the previous Bond Year) and retain your tax-free withdrawal position calculated from the start of your Bond.</p> <p>Your Bond growth is reflected in the unit price for Unit-Linked Options and in the bonuses allocated to your Bond annually for the Capital Guaranteed Option. Income is reinvested so you get the benefit of compounding returns. And, you are not personally taxed on the accruing returns.</p>	<p><b>Minimum Investment amount: Start investing from as little as \$500.</b></p> <p><b>Establish an Additional Investment Plan from \$100 a month.</b></p> <p><b>Make a minimum one-off additional investment of \$500.</b></p> <p><b>See page 26</b></p>
<b>Choice</b>	<p>There are four Unit-Linked Options to choose from under this PDS and one Capital Guaranteed Option.</p> <p>You can switch between any, or all, of the Unit-Linked and the Capital Guaranteed Options without attracting any personal tax or impacting your 10 year tax period.</p>	<p>One Capital Guaranteed Option.</p> <p>Four multi-asset Unit-Linked Options.</p> <p>Minimum switching amount \$500. Switches are free.</p> <p><b>See page 13</b></p>
<b>Accessibility</b>	<p>You can access your funds at any time.</p> <p>Only if you withdraw within the first 10 years may some of the growth be assessable.</p>	<p>Minimum redemption amount is \$500.</p> <p><b>See page 11</b></p>
<b>Versatility</b>	<p>Your Bond can be used to meet your investment and savings goals. It can also be used for tax-effective retirement savings, without the limitations of superannuation, or it can be used to give you certainty in estate planning.</p>	<p>Complement your superannuation.</p> <p>Grow wealth tax-effectively.</p> <p>Certainty in estate planning.</p> <p>Maximise social security.</p> <p><b>See page 11</b></p>
<b>Simplicity</b>	<p>Your Bond is a simple savings solution without any administration burden. You won't have to complete tax returns or keep ongoing tax records. We don't even require your tax file number. Because we handle the tax, you can set and forget your Bond.</p>	<p>We handle all administration.</p> <p><b>See page 26</b></p>
<b>Peace of mind</b>	<p>Your Bond can be used for estate planning. Where you are both the Bond Owner and Life Insured, you can nominate multiple beneficiaries to receive a specific share of the investment proceeds on your passing.</p> <p>Your Bond is a smart way to avoid the potential complications of wills. And the investment proceeds are tax-free in the hands of dependant and non-dependant beneficiaries, irrespective of the start date of your Bond.</p> <p>As your Bond is technically a life insurance policy, your investment funds can be safe from creditors if you face bankruptcy.</p>	<p>Avoid any potential complications with wills.</p> <p><b>See page 12</b></p>

# Tax benefits explained

## What are the tax implications of Centuria Investment Bonds?

Your Bond is a 'tax-paid' investment. This means that we pay the tax on investment earnings, not you.

Most investments such as managed funds and bank savings declare returns before tax. This means that they do not take into account any tax that you may have to pay. The returns we publish for our Bonds are after-tax returns.

The effective tax rate on the Bond may be lower depending on the underlying Investment Options comprising the Bond. So for example, if there are Australian shares in your Bond, franked dividends will reduce the effective tax rate below 30%.

The chart to the right shows the difference between tax-paid returns and the equivalent before-tax returns.

### Tax during the Term

- Centuria pays the tax on ongoing earnings, not you.
- Centuria's current headline tax rate on Bond income is 30%.
- The effective tax rate may be less than 30% as franking credits and certain deductions may reduce the actual tax paid. Net investment earnings are reinvested, not distributed to you directly. However, you can make withdrawals whenever you wish.
- We don't require your tax file number.
- You don't have to include any growth or earnings in your tax return during the Term.

### Before-tax returns required to equal tax-paid returns depending on your Marginal Tax Rate\*

Tax-paid returns	21.0%	34.5%	39.0%	47.0%
4%	5.1%	6.1%	6.6%	7.6%
5%	6.3%	7.6%	8.2%	9.5%
6%	7.6%	9.2%	9.8%	11.3%
7%	8.9%	10.7%	11.5%	13.2%
8%	10.1%	12.2%	13.1%	15.0%

\* Marginal tax rates are based on the tax rates effective for the 2017/18 tax year plus the Medicare levy of 2.0%, excluding the Medicare levy surcharge. The Medicare levy only applies to tax paying residents (for Australian tax purposes). Tax rates change from time to time, and marginal tax rates higher than 30% reflect the relative effectiveness of the Bond's tax-paid returns. Returns are income returns only. Capital gains tax discounts may apply to some investments held outside of the Bond structure where the investment return includes a discounted capital gain. **The above rates of return are for illustration purposes only.**

### Tax on withdrawal

#### On Maturity

- If you fully or partially withdraw after the 10-year anniversary, the proceeds are personally tax-free.
- Any withdrawals due to death, accident, serious illness or other disability of the Life Insured are also personally tax-free, including to nominated beneficiaries. Any withdrawals due to unforeseen serious financial difficulties of the Bond Owner are also personally tax-free.

#### During the first ten years of your investment

- The growth component of your withdrawal is personally assessable (to the Bond Owner) in the year of the withdrawal. There is a partial exemption on withdrawals in the ninth and tenth years.
- Assessable amounts will attract a tax offset of 30% to compensate for the tax already paid by Centuria.
- No capital gains tax (CGT) applies to any withdrawn or switched amounts.

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## Tax benefits explained (continued)

### What are the tax implications of Centuria Investment Bonds?

How withdrawals are treated prior to maturity

#### Within 8 years

All of the growth is included as assessable income in your tax return.

#### During year 9

Two-thirds of the growth is included as assessable income in your tax return.

#### During year 10

One-third of the growth is included as assessable income in your tax return.

#### After 10 years

Growth is free of personal income tax.

# How additional investments are treated - the 125% rule

You can make unlimited contributions during the first 12 months. After the first Bond anniversary, you may invest up to 125% of the total amount invested in the previous Bond Year without changing the original start date for tax purposes. This means that additional investments can have a term of less than 10 years, and the growth or earnings will still be tax-free.

If you do not make an additional investment in a particular Bond Year, then making an additional investment in any subsequent year, will restart the 10-year tax period.

The minimum additional investment is \$500 per Bond or \$100 per month per Bond.

For instance if you make an initial investment of \$10,000 and no other contributions in year one, you can invest up to a further \$12,500 in year 2, and build your savings as illustrated in the table below.

Bond Year	1	2	3	4	5	6	7	8	9	10	After 10 years
Contribution during year	\$10,000	\$12,500	\$15,625	\$19,531	\$24,414	\$30,518	\$38,147	\$47,684	\$59,605	\$74,506	PERSONALLY TAX FREE
Total Contribution fund balance	\$10,000	\$22,500	\$38,125	\$57,656	\$82,070	\$112,588	\$150,735	\$198,419	\$258,023	\$332,529	

Over 10 years, you could invest over \$332,529 of which just the initial \$10,000 investment would need to be invested in the Bond for the full 10 years. Importantly, you could withdraw your investment plus any growth or earnings in your Bond, at the end of the 10 year term, tax-free. Under the 125% tax rule, you may also continue making additional investments after 10 years and these investment amounts are also tax-free on withdrawal.

If your additional investments exceed the 125% limit in any Bond Year, your 10 year tax period will restart from the beginning of the Bond Year in which the excess contribution is made.

We monitor your additional investments to help ensure you do not exceed the 125% limit.

This is a brief outline of relevant tax rules, which can change from time to time. Also, tax is usually only one of many considerations to be taken into account before making an investment decision. Appropriate and independent investment advice is always recommended.

A disciplined savings strategy

# How Bonds can work for you

## Bonds give you the flexibility to meet your needs and goals.

### When superannuation alone is not enough

For many, superannuation is an effective vehicle for long-term retirement savings. Investment earnings (in accumulation mode) are concessional tax at a rate of 15%.

Like superannuation, Bonds are a “tax-paid” investment vehicle. Centuria pays a maximum headline tax rate of 30% on investment earnings and growth.

If you would like to invest for retirement, perhaps to supplement your capped superannuation contributions and without the limitations of superannuation, bonds can be an effective part of your retirement savings strategy.

### With Bonds, you can:

- Make regular contributions into your Bond account.
- Maintain your original 10-year tax period (as long as you don't breach the 125% rule).
- Access your funds at any age.
- Draw down your Bond and supplement your income in retirement.
- Upon your death have the Bond proceeds paid tax-free to your beneficiaries.
- Make tax-free withdrawals at any time you are suffering a disability, without having to satisfy any strict rules that limit the tax concession to just those suffering a terminal medical illness condition, if you are also the nominated Life Insured.
- Make tax-free withdrawals at any time you are suffering unforeseen serious financial hardship, without having to satisfy the onerous procedural rules that apply to superannuation.

### Access to your funds

Unlike superannuation, your funds are not preserved until you reach retirement age, or subject to any condition of release. With a Bond, there are no rules to stop you from accessing your funds when you need them. You have access at all times during the Term, without any break costs or penalties.

Keep in mind that if you withdraw funds within 10 years from commencement of the Bond's Term, some or all of the growth on your investment will become assessable and you may be subject to personal income tax. However, you will be eligible for a 30% tax offset in these circumstances, which is explained in more detail on page 9.

### No limit on contributions

There are no maximum contribution limits or account balances on investment bonds, as there are with superannuation.

With Bonds, you can make contributions at any time during the Term. As long as your contributions in any Bond Year do not exceed 125% of the contributions in the previous year, they will not affect the 10 year tax period. If you adhere to this, then all of your contributions and growth will be free of personal income tax after 10 years. There is no cap on how much you can contribute in the first Bond Year.

With superannuation, concessional contributions are limited to \$25,000 in a financial year\*. The non-concessional contribution cap of \$100,000 also applies each financial year\*. Penalty tax will apply if you exceed either of these limits.

### Grow wealth, taxed effectively

The tax paid on Bond earnings is capped at 30%. If your taxable income is at least \$37,001 p.a., the tax you pay on any additional income will be greater than what you would pay on Bond earnings. If you withdraw before the 10-year tax period you may have to pay additional tax on your fund earnings if your marginal tax rate is above 30% for that financial year.

Taxable Income	Tax on this income#
0 – \$18,200	Nil
\$18,201 – \$37,000	21%
\$37,001 – \$90,000	34.5%
\$90,001 – \$180,000	39%
\$180,001 and over	47%

\*Please note that the rate is inclusive of the Medicare levy and is exclusive of the Medicare surcharge.

With most other investments such as unit trusts, shares and property, investment income generates assessable income.

Also, capital growth and switching between investments will be subject to capital gains tax (CGT). For some investors with investment income, their marginal tax rate may be much higher than the Bond's maximum tax rate.

Often you will have to make complex tax planning decisions to manage potential CGT and personal tax implications or exposures. A key benefit of your Bond is its tax simplicity, as personal tax and CGT events may not apply. You can switch easily between any or all of the Investment Options without any tax or CGT implications.

This means that you don't have to worry about personal tax implications if you want to actively manage your investments. If your investment view or financial goals change, you can switch between the range of Investment Options we offer. Switching does not affect your Bond's 10-year tax period.

Your Bond offers a simpler tax-effective way to build wealth over the medium-to long-term.

# How Bonds can work for you (Continued)

## Certainty in estate planning

Estate planning can get complicated, especially with particular beneficiary situations. As your Bond is technically a life insurance policy combined with an investment, you can use your Bond as part of your estate planning to simplify and specify wealth transfers outside a will.

Your Bond maturity proceeds are tax-free to dependant and non-dependant beneficiaries irrespective of the commencement date of your Bond.

**The following table sets out a general summary of three basic scenarios for consideration. A further description of the Bond participants is set out on pages 16 and 17.**

Scenario	Bond Owner	Life Insured	Nominated Beneficiaries	Tax-Free Payment upon Death of the Life Insured
1 Bond Owner and Life Insured are the same.	You	You	You nominate one or more beneficiaries.	Paid to your nominated beneficiaries (regardless of whether you have a valid will, or who the will beneficiaries are). Potential estate issues and probate delays are therefore avoided.*
2 Bond Owner and Life Insured are the same	You	You	You do not nominate any beneficiaries.	Paid to your legal estate (and dealt with under your valid will, if you have a valid will, or under intestacy rules, if you do not have a valid will).
3 Bond Owner and Life Insured are separate persons	You	Someone else you select.	You cannot nominate any beneficiaries.	Paid to you (as Bond Owner), if you survive the Life Insured. Paid to your legal estate if your selected Life Insured has survived you (as Bond Owner).

You can jointly own a Bond with someone else (for example, your partner). In which case, if one co-Bond Owner dies, the Bond ownership simply continues, and is treated as held by the surviving Bond Owner.

There can also be more than one Life Insured. In this case, if one of them dies, the surviving person continues as the Life Insured.

## Maximising Social Security benefits

- Under the assets and income tests, any financial investment can affect a person's entitlement to means-tested Government income-support benefits administered by Centrelink or the Department of Veterans Affairs. These include Family Tax Benefits B, the Age Pension and the Veterans' Service Pension. Generally, the value of a financial investment is counted as an assessable asset (under the assets test), and an assumed amount is treated as assessable income (under the income test), based on prevailing deeming rules and rates.
- Your Bond is treated as a financial investment.
- However, with other benefits, such as the family tax benefits and entitlement to the Commonwealth Seniors Health Card, the social security deemed income rules do not apply. Instead, your taxable income (for income tax purposes) is taken into account.
- Where your taxable income is used as a test for such benefit entitlements, your Bond may help, as its ongoing earnings and growth do not count towards your taxable income.

## Versatility

You can use your Bond for a range of different savings goals. Whether you are saving for your child's education, early retirement or a special event, Bonds give you the flexibility to suit your needs.

Plus, you know your savings are tax effective and you have complete access to your funds if your circumstances or goals change.

You can invest in a Bond on behalf of your child. This is a simple way to manage the tax that would normally apply to investment income of children.

You can also assign the Bond to a child (subject to parental or guardian consent) in the future, without any tax or legal complications. Your child has the option to continue to hold the Bond without affecting the original 10-year tax period start date.

\* Specialist advice should be sought where nominations are made by persons whose estates are subject to the Succession Act 2006 (NSW) and where nominations are made within 3 years of the date of death of the Life Insured.

# Investment Options

**You have the choice of four (4) Unit-Linked Investment Options and one Capital Guaranteed option. Each Investment Option has a different investment objective, strategy and different level of risk.**

The risk profile of each Investment Option will depend on the underlying assets held within a Bond in order to execute the Bond's investment strategy.

Generally, the more growth assets held in a Bond (such as shares), the greater the potential for higher returns, however, this will also increase the chance of negative returns. The Bond is therefore considered to be higher risk. The more defensive assets in a Bond, such as cash and fixed interest, the lower the risk.

The movement of returns from positive to negative over a period of time, is referred to as the volatility of returns and can be used to approximate the level of risk in a Bond.

As well as exposure to growth assets, the risk of a Bond can also be affected by the investment strategy and the extent of its diversification across assets, asset classes and markets.

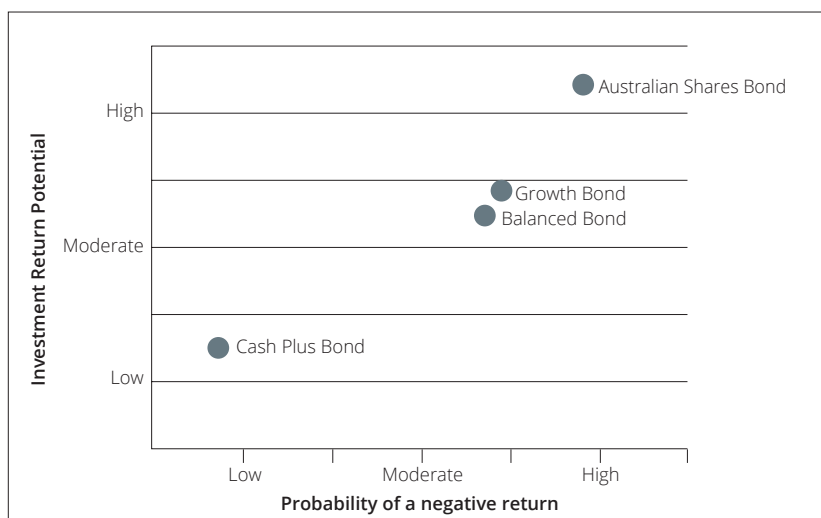
Further detail on the risks that may affect the volatility of returns in your Bond can be found on page 20 and 21 of this PDS.

You are able to adjust the risk profile of your Bond by investing in different Investment Options.

Centuria has assessed the risk of each of its four (4) Unit-Linked Investment Options by assessing the risk vs return profile as shown in the graph below. The risk vs return profile has been derived from Centuria's assessment of the return potential within a Bond against an estimate of the probability of a negative return over a one-year period.

As the capital and prior year bonuses credited to the **Capital Guaranteed Bond** are guaranteed, this Bond has been assessed by Centuria to be very low risk with low volatility and no risk of a negative return over a one-year period. However, investors should be aware that the return potential in this type of Bond is reduced by the requirement to maintain reserves to provide the capital guarantee. This is further explained on page 20 of the PDS, and under 'Reserving Policy' in the Glossary section of this PDS.

## Risk vs Return Profile



**IMPORTANT:** Risk ratings are based on Centuria's assessment of the relevant Bond's volatility risk profile vs its return potential. This assessment is based on Australian and international experience going back over 40 years where there is sufficient history of returns.

However, past performance is not a guarantee of future performance and there is the possibility that future market events will result in levels of volatility that are different to those shown in the graph (for example the Global Financial Crisis of 2008). We recommend you speak with a licensed financial adviser to assess whether the Bond is appropriate for you.

Volatility risk is just one measure of risk and there are other investment risks associated with a Bond such as inflation, interest rate, liquidity and credit risk.

## What are Unit-Linked Options

When you invest in a Unit-Linked Option you are allocated notional units in the relevant Bond. The number of units allocated will depend on the amount you invest and prevailing 'unit price'. The value of these units varies in line with movements in the market value of the Bond's underlying investments, which are valued regularly. Any income earned by a Unit-Linked Option is also reflected in the unit price of that Bond.

**See page 26 for further information about unit pricing.**

## Capital Guaranteed Option

Unit prices are not calculated for the Capital Guaranteed Bond. The value of this Investment Option is calculated as the total amount(s) invested (net of any contribution fees) and remaining within the Bond, plus the total of all accumulated annual bonuses declared (net of fees and taxes).

Each year, effective at 1 July, our Capital Guaranteed Bond declares a bonus and you as a Bond Owner will be allocated a tax-paid bonus. This is a share of the Bond's operating surplus. This bonus (and the annual declared bonus rate) is calculated following an actuarial revaluation of the Bond's investment portfolio at market values current at 30 June and after allowing for taxation, statutory reserves and expenses. This annual bonus is reflected as an increase in the value of your investment in the Bond. Each Bond Owner's bonus is calculated on their daily balance and automatically reinvested in the Bond and is available to earn further bonuses in following years.

If you fully withdraw or switch your Capital Guaranteed Bond before 30 June, you will receive an interim bonus. The interim bonus rate is determined by our Appointed Actuary based on the anticipated earnings rate of the Bond over the following year. Interim bonus rates are normally less than annual bonus rates.

Refer to the Glossary for more information regarding our Capital Guaranteed Reserving.

# Investment Options (continued)

## Centuria Investment Bonds offer a choice of:

- The Capital Guaranteed Bond which declares a bonus that is allocated to your investment on an annual basis: and
- Unit-Linked Options which have a unit price that reflects the capital growth and income return of the underlying investments in the Bond.

<b>Bond</b>	<b>Capital Guaranteed Bond</b> (very low risk)	
<b>Investment objective</b>	To provide investors with a high level of capital security and competitive tax-paid returns over the long-term (7-10 years). As this is essentially a 'cash' bond, the Bond will seek to be competitive with after-tax returns from cash deposits.	
<b>Investment strategy</b> ^^	The Capital Guaranteed Bond invests in cash and investment grade and long-term debt, credit and fixed interest securities.	
<b>Asset Allocation*</b>	<b>Asset class</b>	<b>Range</b>
	Australian Fixed Interest	0%-95%
	Cash	5%-100%
<b>Bond</b>	<b>Cash Plus Bond</b> (low risk)	
<b>Investment objective</b>	To generate a return on investment in excess of the Bloomberg AusBond Bankbill index.	
<b>Investment strategy</b> ^^	To invest with established investment managers, term deposits, cash and other listed and unlisted debt securities to achieve the investment objective.	
<b>Asset Allocation*</b>	<b>Asset class</b>	<b>Range</b>
	Australian Fixed Interest	0%-100%
	International Fixed Interest	0%-100%
	Cash	0%-100%
<b>Bond</b>	<b>Balanced Bond</b> (moderate risk)	
<b>Investment objective</b>	To provide investors with growth from capital appreciation and income over the long-term (7-10 years).	
<b>Investment strategy</b> ^^	The Balanced Bond invests in a diversified portfolio of assets, including both growth securities (i.e. Australian and international shares and property) and income securities (e.g. fixed interest and cash). Exposure to property may include both direct real property investments and investments in listed and unlisted property securities.	
<b>Asset Allocation*</b>	<b>Asset class</b>	<b>Range</b>
	Australian Shares	20%-55%
	International Shares	10%-40%
	Property	0%-20%
	International Fixed Interest	0%-25%
	Australian Fixed Interest	0%-35%
	Cash	0%-15%
	Alternative Assets	0%-15%

^^ We and/or the underlying investment managers may use derivatives for hedging purposes and/or to implement the Bond's investment strategy. We and/or the underlying investment managers will not use derivatives for gearing purposes or speculative activities.

\* Asset allocations may be altered within the Allowable Range without prior written notice to you when the change does not alter the risk profile of the Bond.

**Please note as part of our investment management process, we may add or remove investment managers or change the underlying funds in which the Bond invests without prior notice to you.**



You may also switch into another Bond Investment Option at any time during the Term without any tax implications. Your 10 year tax period will remain the same and you will not be subject to any CGT.

<b>Bond</b>		<b>Growth Bond (moderate to high risk)</b>	
<b>Investment objective</b>	To provide investors with long-term tax paid capital growth and competitive returns, while controlling short term variability.		
<b>Investment strategy ^^</b>	The Growth Bond invests in a diversified portfolio of assets with the majority of assets in growth assets, such as Australian and international shares and property. Exposure to property may include both direct real property investments and investments in listed and unlisted property securities. The Bond will also invest in some income producing assets such as fixed interest and cash.		
<b>Asset Allocation*</b>	<b>Asset class</b>	<b>Range</b>	
	Australian Shares	0%-60%	
	International Shares	0%-50%	
	Property	0%-33%	
	Australian Fixed Interest	0%-95%	
	International Fixed Interest	0%-85%	
	Alternative Assets	0%-15%	
	Cash	1%-15%	

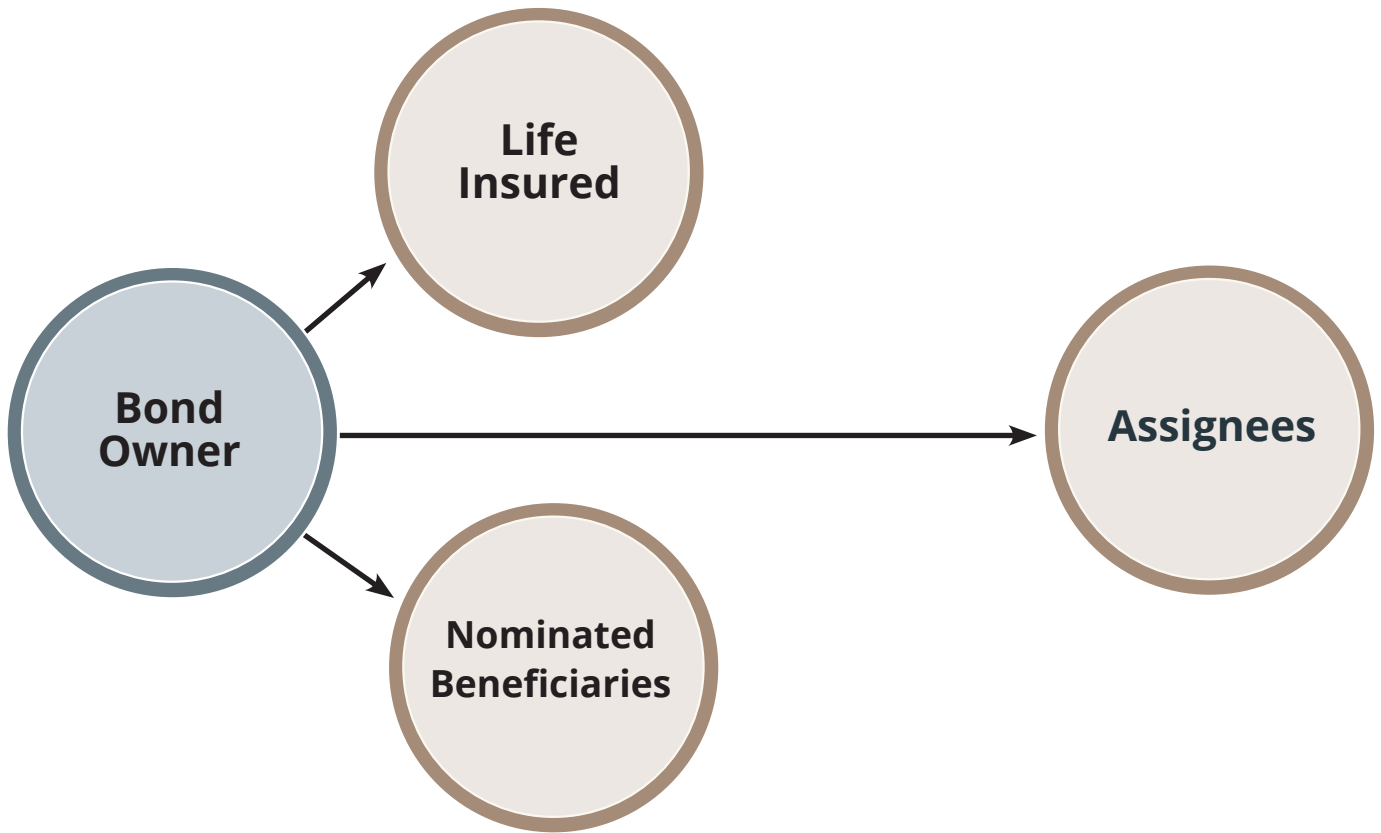
<b>Bond</b>		<b>Australian Shares Bond (high risk)</b>	
<b>Investment objective</b>	To provide investors with capital growth over the long-term (7-10 years) through exposure to a diversified portfolio of Australian shares.		
<b>Investment strategy ^^</b>	The Australian Shares Bond primarily invests in a diversified portfolio of Australian shares either directly or through unit trusts		
<b>Asset Allocation*</b>	<b>Asset class</b>	<b>Range</b>	
	Australian Shares	85%-100%	
	Cash	0%-15%	

^^ We and/or the underlying investment managers may use derivatives for hedging purposes and/or to implement the Bond's investment strategy. We and/or the underlying investment managers will not use derivatives for gearing purposes or speculative activities.

\* Asset allocations may be altered within the Allowable Range without prior written notice to you when the change does not alter the risk profile of the Bond.

**Please note as part of our investment management process, we may add or remove investment managers or change the underlying funds in which the Bond invests without prior notice to you.**

# Who are the participants in an Investment Bond



Your Centuria Investment Bond combines the benefits of an investment with a life insurance policy.

Each Investment Option represents a switchable Bond option and is established as a “Benefit Fund” under the Life Insurance Act. Each relevant Benefit Fund is approved by APRA and must adhere to a specific set of Bond Rules.

## **Bond owner**

The Bond Owner is the investor who makes the investment or party who becomes the owner following a registered transfer/assignment. The Bond Owner can be an individual, a company, a trust or any other entity.

Bonds can also be jointly owned by more than one individual. If one of the joint Bond Owners dies, the survivor(s) automatically becomes the Bond Owner(s). The Bond may then be continued without interruption for as long as the survivor(s) wishes, provided the selected Life Insured continues to live.

A Bond Owner can hold a Bond in trust for a child of any age, and (as required) later assign the Bond to that child (if the child is aged at least 10) with the signed consent of their parent or guardian.

## **Children’s bonds**

Children aged at least 10 and less than 16 years of age may invest in a Bond in their own name, with the signed consent of their parent or guardian (as required by the Life Insurance Act). A child under 16 years cannot exercise Bond investment decisions, such as assignment, nomination or switching.

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## The Bond Owner may nominate any number of beneficiaries and can indicate the proportion of the accumulated value of the Bond to be paid to each.

### Nominated Beneficiary (where the Bond Owner is also the Life Insured)

The nominated beneficiary is the person who will be entitled to be paid the proceeds or transfer of the accumulated value of the Bond upon the death of the Bond Owner and Life Insured. The Bond Owner may nominate any number of beneficiaries and can indicate a proportion of the accumulated value of the Bond to be paid to each upon Bond maturity, e.g. 25% to each of four nominees.

The nominated beneficiaries can be revoked or changed at any time by the Bond Owner up until their death. Single nominations are automatically revoked upon the death of the nominated beneficiary prior to the Bond maturing.

Where one of multiple nominees dies prior to the Bond maturing, the deceased nominee's nominated entitlement shall lapse and will be reallocated to the surviving nominees on a pro-rata basis, taking into account their original proportionate entitlements.

If a beneficiary is not nominated, the Bond's investment proceeds will be paid to the Bond Owner at maturity. If the Bond Owner dies, the proceeds will be paid to the Bond Owner's estate.

### Assignees

Ownership of the Bond can be assigned (known as a transfer) to any individual or entity if the assigning Bond Owner is at least 16 years of age. An assignment confers all of the ownership rights of the Bond to the assignee.

### Life insured

The Bond Owner must select a Life Insured. This is the person whose death will cause the Bond to mature. The Bond Owner can be the Life Insured, but does not have to be. A Bond Owner can name their child or any other natural person as the Life Insured.

If more than one Life Insured is named, maturity will not be triggered until the passing of the last named Life Insured. The Life Insured does not have to be related to, or be a dependant of, the Bond Owner.

If the Bond Owner is a company or another entity, a living natural person(s) must be named as the Life Insured.

You cannot remove or change the Life Insured during the Term of your Bond. But you are able to add a Life Insured.



If you assign your Bond, the original start date of your Bond is retained for the new Bond Owner

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# How we manage your funds

## As a life insurance company, we are regulated by APRA.

### About us

Centuria (formerly the Over Fifty Mutual Friendly Society Ltd) is one of Australia's largest friendly societies based on funds under management and has been managing investors' funds since we were established in 1981 under the name, "The Over 50's Friendly Society".

As a life insurance company, we are regulated by APRA. We also hold an AFSL, which authorises us to deal in, and provide general financial product advice on investment life insurance products, such as the Centuria Investment Bonds.

Centuria is a wholly-owned subsidiary of Centuria Capital. Centuria Capital is listed on the Australian Stock Exchange (ASX: CNI) and is the holding company of the Centuria Group, which provides a range of financial services and funds management products.

### Our investment approach and process

Centuria Investment Bonds aim to deliver consistent tax-paid returns and access to a range of investment management specialists in major asset classes, such as shares, fixed interest and property.

### Investment Committee

Our investment committee is responsible for approving and overseeing the implementation of the investment strategy for each of the Benefit Funds comprising the range of Centuria Investment Bonds. The committee is responsible for making decisions on matters such as asset allocation, investment manager selection and portfolio construction. The investment committee also takes advice from external experts and investment consultants and our Appointed Actuary, on a range of investment management matters. Our investment committee meets regularly to review the Bond's investment strategy and investment manager appointments.

### Selection and review of investment managers

We select investment managers after conducting a detailed review process, which includes consideration of their investment style, investment process, the expertise of their investment team, past performance and other factors. We also review our investment managers' performance on an ongoing basis to ensure they operate in accordance with our specified investment criteria. Each of our investment managers (including our related companies) are entitled to receive fees for their services at commercial rates as agreed from time to time by us. These fees are paid from Centuria's management fee and are not an additional cost to you (see page 22 for further detail on fees and charges).

The underlying assets of the Centuria Investment Bonds may be managed using a range of investment managers and investment styles. We may appoint an investment manager pursuant to an individual investment mandate or invest via a managed fund operated by the investment manager. Where we invest via a managed fund operated by an investment manager, the investment of that fund may in turn be managed by a range of specialist asset managers chosen by our investment committee.

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## Changes to investment managers and investment strategies

It is important to note that in implementing the investment strategies of our Centuria Investment Bonds we may from time to time:

- add, remove or replace investment managers or vary the amount invested with a specific investment subject to the Bond Rules, change the investment strategy for a Centuria Investment Bond or vary its asset allocation and investment ranges and targets; and
- close or cease to accept new contributions into one or more of our Centuria Investment Bonds.
- To implement investment strategies and processes on a timely basis, we may need to make such changes without giving advance notice. Updated or other information about the Centuria Investment Bonds that is not materially adverse (such as performance information or changes to investment managers) may be found on our website [www.centuria.com.au/investment-bonds](http://www.centuria.com.au/investment-bonds)

However, where a change is materially adverse, we will issue a supplementary or replacement PDS. If we close or cease to accept new contributions into one or more of our Centuria Investment Bonds, then we will, where practical, provide the affected Bond Owners with advance notice of the change.

## Authorised investments

The assets of the Centuria Investment Bonds must be invested in accordance with the Life Insurance Act (including any Prudential Standards made thereunder) and the Bond Rules. The Bond Rules specify a range of authorised investments into which Bond assets are to be invested. The “authorised investments” are specified in the Bond Rules (see page 26 for detail on how you can view a copy of the Bond Rules).

## Borrowings

We may borrow against the assets of the Growth Bond only for the purpose of providing short-term finance for this Bond. Generally, our policy is not to borrow against the assets of this Bond.

The Bond Rules do not permit us to borrow against the assets of the other Bonds.

## Use of derivatives

We and/or the underlying investment managers may use derivatives, such as futures and options, for hedging purposes and/or to implement a Bond’s investment strategy. However, we and/or the underlying investment managers will not use derivatives for gearing purposes or speculative activities. If derivatives are used, it is on the basis that the relevant Centuria Investment Bond can always meet its commitments without having to borrow.

## Labour standards and environmental, social and ethical considerations

In setting or implementing investment strategies for the Bonds, and when selecting or retaining investment managers, we do not give additional weight to labour standards or environmental, social or ethical considerations.

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# The risks of investing

## Capital Guaranteed Bond

When you invest in the Capital Guaranteed Bond, we guarantee the return of your capital contributions (net of any contribution fees) and any annually declared bonuses (net of fees and taxes) on the maturity or redemption of your investment. However, there is no guarantee as to the performance of your investment or the level of any annually declared bonuses.

## Unit-Linked Bonds

An investment in one of our Unit-Linked Bonds is subject to varying degrees of risk and the value of your investment can go down as well as up. Changes in the value of your investment can be significant and can happen quickly. Different types of investments perform differently at different times and have different risk characteristics which can result in fluctuations in the value of an investment.

Generally the higher the exposure a Bond has to growth assets the higher the volatility of its returns.

## Potential volatility of returns

Our assessment of the potential volatility of returns within our Bonds has been summarised in the Risk Characteristics graph on page 13 of this PDS.

This assessment is based on Australian and international experience going back over 40 years. However, past performance is not a guarantee of future performance and there is the possibility that future market events will result in levels of volatility that are different to those shown in the graph (for example the Global Financial Crisis of 2008). We recommend you speak with a licensed financial adviser to assess whether the Bond is appropriate for you.

It is also worth noting that there may be times when we will alter the asset allocation of our Bonds (within the Allowable Ranges) to take advantage of investment opportunities in asset classes that we believe will outperform the broader investment market. Changing the asset allocation of a Bond may alter the volatility of returns in the short term.

Whilst market events may cause variability in volatility of returns in the short term, we believe that the risk characteristics set out in this PDS are a reasonable representation of the volatility risk profile of the Bond if it is held for the term described in the investment objective for each Bond.

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## Significant risks

**Whilst all investments have a degree of risk, there are numerous risks that may affect the value of your investment that you should consider before making a decision to invest. Summarised below are the significant risks to the Centuria Investment Bonds, along with ways in which we seek to manage that risk.**

### Market risk and security-specific risk

Market risk is the possibility that the market for a particular asset has negative returns over a short or extended period of time. Market risk may be caused by events such as inflation, the level of interest rates, investor sentiment and global events.

Security-specific risk is the risk that an individual security will experience negative returns or underperformance. In any asset class, performance will be impacted by market performance, as well as the risk of a negative return in any individual security held in a portfolio.

We seek to manage both market risk and security-specific risk by investing in a diversified portfolio of investments across markets and asset classes, within the investment parameters of a specific Bond's Rules. Where appropriate, we will seek to invest in wholesale managed funds where the investments of Centuria Investment Bonds are pooled with that of other institutions.

This enables Centuria to invest in a much larger and more diversified portfolio of assets than we could if we invested directly.

### Regulatory risk

Changes in the government's fiscal, monetary and regulatory policies (including changes to the taxation laws in relation to investment bonds) or statutory changes may affect the Bond and an investment in the Bond.

### Taxation risk

Changes to tax laws and government policies that affect the tax treatment of investment bonds and the underlying investments managed by the investment managers, may affect the returns from and the value of your investment in a Bond.

### Investment manager risk

The risk that underlying investment managers may not achieve their investment objectives or that they may suffer changes or instability with their management. We seek to manage this risk through a detailed review process and ongoing monitoring of the investment manager and their performance.

### Credit risk

The risk that the counter-parties to an investment become insolvent or fail to meet their payment obligations. We seek to manage this risk by ensuring that we invest in debt securities that are rated as investment grade or higher by a ratings agency. For commercial mortgages we seek to manage this risk through a thorough credit assessment with conservative loan to valuation ratios.

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## Country risk

(This risk applies only to funds that invest in international assets.) The potential for adverse political, economic or social developments to affect the return of an investment in a particular country, e.g. political instability, recession or war. We seek to manage this risk by investing in a diversified portfolio of investments across markets and asset classes, within the investment parameters of the Bond's Rules.

## Liquidity risk

The risk associated with investments that are difficult to sell and which may not be easily converted into cash without a reduction in their capital value. We seek to manage this risk by investing in high quality assets and/or assets with an active secondary market in which they can be sold.

## Currency risk

(This risk applies only to those funds that invest in international assets). The risk that fluctuations in the exchange rates between the Australian dollar and foreign currencies may cause the value of investments to decline where a Centuria Investment Bond is invested in international assets. However, the converse may occur when the fluctuation between the Australian dollar and foreign currencies is positive. We may seek to manage the risk of unfavourable currency movements by hedging the currency risk. Our currency exposure may not be hedged in all instances, which could also result in favourable currency movements. If an asset is unhedged, it will outperform the same asset that is hedged if the Australian dollar falls in value.

## Derivative risk

Centuria Investment Bonds may invest in derivatives such as futures, options and forward exchange contracts. Derivatives may be used for hedging purposes and/or to implement a Bond's investment strategy (e.g. as an alternative to buying and selling of physical securities). Derivatives are highly leveraged investments, meaning that losses can be magnified in times of adverse market movements. We and our underlying investment managers will seek to minimise this risk by investing in derivative contracts where the behaviour is expected to resemble that of the underlying assets held. Derivatives contracts are not used for speculative or leveraging purposes.

# Fees and other charges

## Consumer advisory warning

### 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 fund 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 member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable.

Ask the fund or your financial adviser.

### 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](http://www.moneysmart.gov.au)) has a managed investment fee calculator to help you check out different fee options.

## Fees and other costs

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Bond's assets as a whole. Tax and insurance costs are dealt

with in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the fund</b>		
<b>Establishment Fee</b> The fee to set up your initial investment	Nil	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment	Nil post - 1 July 2013	Not applicable post - 1 July 2013. For pre - 1 July 2013 arrangements see page 24
<b>Withdrawal Fee</b> This is the fee for each withdrawal you make	Nil	Not applicable
<b>Termination Fee</b> The fee when you finally close your account	Nil	Not applicable
<b>Management costs</b>		
<b>The fees and costs for managing your investment</b>		
<b>Net Management Fee</b> The fee for managing your investment	<b>Net Fee*</b> Capital Guaranteed Bond 1.50% p.a. Cash Plus Bond 0.90% p.a. Balanced Bond 1.875% p.a. Growth Bond 1.50% p.a. Australian Shares Bond 1.20% p.a.	*The <b>Net Management Fee</b> is the effective after-tax management fee that applies to a Benefit Fund. It is calculated by reducing the applicable pre-tax gross management fee by 30% to adjust for a tax deduction benefit allocated by Centuria to the relevant Benefit Fund.  For example, for the Capital Guaranteed Bond, Balanced Bond and Growth Bond Centuria is paid a gross management fee of 2.14% p.a. but the cost of that fee to those Benefit Funds is reduced by a 30% tax deduction benefit allocated by Centuria to those Benefit Fund, resulting in a net management fee of 1.50% p.a.  Management fees accrue daily, based on the gross asset value of the relevant Benefit Fund. They are paid monthly in arrears out of the relevant Benefit Fund.
	Centuria's management fees are inclusive of the management fee charged by underlying investment managers and is the total fee paid. As such the actual fee received by Centuria will be reduced where a management fee is charged by an underlying investment manager, with the effect that the net management fee charged does not exceed the net management fee detailed in this PDS.  Please refer to the 'Management costs' and 'Example of annual fees and costs' sections on the following pages for further details.	
<b>Estimated ongoing expenses</b>	Nil	Whilst Centuria is entitled to reimbursement of expenses out of the Bond's assets as incurred in certain circumstances, based on historical data, expense recoveries are expected to be nil.



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## Service fees

### Switching fees

The fee for changing investment options	Nil	Not applicable
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### Example of annual fees and costs

The table below gives an example of how the fees and costs of the Centuria Investment Bonds can affect your investment over a one-year period.

We have used the Australian Shares Bond for the purpose of this example and have shown the fees and costs that would be charged against the value of your investment if you made an initial investment of \$50,000 and an additional investment of \$5,000 on the last day of the year of the initial investment date. The example is provided as an illustration only and is not necessarily indicative of the amount of fees and costs that may be incurred in the future.

Example - Australian Shares Bond*		Balance of \$50,000 with a contribution of \$5,000 during year
Contribution Fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
And Management Costs	1.2%	And, for every \$50,000 you have in the Bond you will be charged \$600 each year.
Equals cost of fund		If you had an investment of \$50,000 at the beginning of the year and you between \$600 and \$660. What it costs you will depend on the Investment Option you choose and the fees you negotiate .

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\* This example does not take into account the impact of any financial adviser service fee and remuneration that you may have agreed with your financial adviser if you have appointed one.

# Fees and other charges (Continued)

## Financial advice fees and FOFA

The Federal Government has enacted legislation known as the Future of Financial Advice (FoFA) legislation, which came into full effect on 1 July 2013. The FoFA legislation, which has been subject to ongoing review and amendment, amends the Corporations Act and contains detailed provisions providing for:

- A prospective ban on financial advisers receiving conflicted remuneration when providing financial advice to clients;
- A duty for financial advisers to act in the best interests of their clients, subject to a 'reasonable steps' qualification, and to place the best interests of their clients ahead of their own when providing financial advice to clients;
- An opt-in obligation that requires financial advisers to renew their agreements with clients to ongoing fees every two years;
- Financial advisers to make enhanced disclosure to clients of fees and services associated with receipt of on-going fees, on an annual basis; and
- Enhanced powers for ASIC.

Any arrangement by Centuria to make payments or provide incentives to financial advisers will be entered into in compliance with the FOFA legislation.

Financial Adviser Service Fees, both initial and ongoing, as advised to Centuria on the Application Form can be altered by the Bond owner contacting Centuria or you can advise us in writing of any change. Upon receipt of your written instructions, Centuria will make the requested change to your Financial Adviser Service

Fee arrangements and these will bind both you and your Financial Adviser.

## Initial Financial Adviser Service Fee

If the investor wishes to pay a fee to an adviser out of the fund balance of the Bond Owner, by completing the Financial Adviser Details section of the Application Form, you can instruct Centuria to collect and pay to your financial adviser a financial adviser service fee either:

- As a one-off fee paid from your initial investment; or
- A set percentage fee paid from each contribution you make.

These are fees that you negotiate and agree with your financial adviser for the provision of advice and service. They are not fees that are paid to Centuria.

## Ongoing Financial Adviser Service Fee

A Bond Owner, by completing the Financial Adviser Details section of the Application Form, can instruct Centuria to pay to their Financial Adviser an Ongoing Financial Adviser Service Fee for the provision of ongoing advice and service in relation to their investment in the Fund. This fee is deducted from the Bond owners fund balance.

Ongoing Financial Adviser Service Fees are usually paid to Financial Advisers on or before the 21st day of each month.

## Example of Ongoing Financial Adviser Service Fee

If you have a Bond with a value of \$10,000 and you elect to pay your Financial Adviser an Ongoing Adviser Service Fee of 0.50% p.a. of the value of your Bond or \$50 p.a., your unit holding in the Bond will be adjusted on a monthly basis in order to make this payment. This is a simplified example which does not take into consideration changes in the value of your Bond during each year.

## Fee arrangements for pre-1 July 2013 for Bond Owners who have an appointed financial adviser

Under FoFA, arrangements for fees payable to a financial adviser entered into prior to 1 July 2013 are not banned and may remain in place.

In respect of the Centuria Investment Bonds, all Bond Owners who entered into a Bond prior to 1 July 2013 under our previous PDS and have nominated a financial adviser will continue to pay a Contribution Fee on all contributions.

At any time you or your financial adviser may contact Centuria and provide written instruction for Centuria to cease paying a fee previously agreed with your financial adviser.

The Contribution Fee will be paid directly to your nominated financial adviser. Depending on your existing arrangement with your financial adviser, this Contribution Fee may be rebated back to you by your financial adviser.

These fees are not payable with respect to new investments or regular contribution plans entered into post-1 July 2013 or in respect to any pre-1 July 2013 Bonds where Bond Owners have not nominated a financial adviser.

## Contribution Fees are charged as follows:

Bond	Contribution Fee
Balanced Bond	3%
Growth Bond	3%
Australian Shares Bond	3%

## Ongoing fee from each additional contribution

Deducted from each contribution you make with the balance deposited into your Bond account.

E.g.: If you made an additional contribution of \$10,000, \$300 would be deducted from the contribution.

If a licensed financial adviser introduced a Bond Owner to any of the Centuria Investment Bonds, we may also pay the financial adviser ongoing trail commission of 0.33% p.a (inclusive of GST) of the average balance of your investment each month. All ongoing trail adviser commission payments are paid by Centuria and are not an additional expense to Bond Owners. Where these payments were agreed prior to 1 July 2013 between you and your adviser, these will continue to be paid unless you tell us otherwise.

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## Additional explanation of fees and Management costs

### Management Fees

Management fees are an aggregate of the investment management fee charged by the underlying manager of the funds and Centuria. Centuria will pay all administrative costs and expenses associated with the establishment and operation of each Bond. These are paid monthly in arrears out of the assets of the relevant Bond and will not be charged directly to your Bond.

### Estimated ongoing expenses

This is an estimate of the ongoing expenses that are recoverable under the Bond Rules, except for the following expenses that would have been incurred by a direct investor in the underlying asset, such as Government Duties and other duties, taxes, charges and direct expenses and outgoings incurred or accrued in the investment of the assets of the Bond.

### Buy/sell margin

For the Unit-Linked Options, a difference between the application price and the redemption prices of a unit occurs because of the buy/sell margin. The buy/sell margin is our estimate of the costs associated with buying and selling the underlying investments.

	Buy Margin	Sell Margin
<b>Cash Plus Bond</b>	0.10%	0.10%
<b>Balanced Bond</b>	0.35%	0.35%
<b>Growth Bond</b>	0.35%	0.35%
<b>Australian Shares Bond</b>	0.35%	0.35%

As an example, the acquisition or redemption of \$10,000 worth of units in the Australian Shares Bond, with a buy/sell margin of 0.35%/0.35%, would incur a cost of \$35.00.

### Other taxes and stamp duty

All fees, charges and adviser remuneration shown are inclusive of the impact of GST (where applicable) and less any reduced inputs tax credits (for GST purposes) available to each of the respective Bonds, except where otherwise indicated.

A relatively minor amount of stamp duty may be chargeable in some states for the establishment of your Bond. Where it does apply it is only payable on your initial contribution and generally not on any additional investments that you make. For Bonds with an initial investment up to \$50,000, we will pay any stamp duty that is chargeable in the relevant state. For Bonds with an initial investment amount of greater than \$50,000, we will deduct the stamp duty from your initial investment exceeding \$50,000 and notify you of the cost in your transaction confirmation. By way of example, as at the date of this PDS, the stamp duty payable in New South Wales on the establishment of a Bond with an initial investment of \$50,000 would be \$49.00.

### Differential fees

We may waive fees or enter into arrangements or individually negotiate fees with investors or licensed financial advisers (such as charging lower fees for large investors) at our discretion and as permitted by the Corporations Act.

### Changes to fees

From time to time we may alter our fees due to changes in the competitive and regulatory environment or due to changes to our costs in managing the Bonds, however this is subject to any maximum fee set out in the Bond Rules. Currently the Bond Rules provide for a maximum Contribution Fee of 5% and a maximum Management Fee of 3%. The Bond Rules do not currently allow a termination or withdrawal fee to be charged.

We can change the fees without your consent; however, we will not increase the fees without providing you with at least 60 days prior written notice.

# How we administer your Bond

## Minimum amounts

<b>Minimum initial investment</b>	\$500
<b>Minimum balance (see page 27)</b>	\$500
<b>Minimum additional contribution</b>	\$500 one-off additional contribution \$100 each month through an Additional Investment Plan
<b>Minimum switching amount (see page 27)</b>	\$500
<b>Minimum redemption amount (see page 27)</b>	\$500

## Investment Term

When you complete your application form you may nominate any Term between 10 and 40 years. Regardless of the Term nominated, you may withdraw some or all of your Bond's balance at any time. The investment Term also ends and the Bond matures immediately when the 'Life Insured' dies.

We will notify you that your Bond is maturing shortly before it reaches its nominated Term maturity date. We require written advice if you wish to fully redeem the Bond on maturity. If we do not receive any instructions, we will extend the Bond's Term each year by 12 months. This means that your Bond can continue and its tax and other benefits will be preserved. Regardless of the extension to its Term, you will continue to have access to your Bond at all times.

If you do not nominate a Term on your application form, we will assume a term of 40 years. You may change the Term at any time by advising us in writing.

## Initial investment amount

The minimum initial investment amount is only \$500. There is no maximum investment amount. Application forms and step by step instructions are included later in this PDS. Once you establish your Bond, you can make additional contributions.

## Cooling-off period

If you change your mind about investing in a Centuria Investment Bond, you may cancel your application by notifying us in writing within 14 days of the earlier of the date our confirmation advice is mailed to you or the end of the fifth day after we accept your application by issuing your Bond.

If you do cancel your investment for Unit-Linked Options, the refund will be calculated using the unit price calculated as at the close of business on the day we receive the refund request and is adjusted for any reasonable transaction costs, taxes or duties that are not recoverable. For the Capital Guaranteed Option, the refund will be the total amount invested adjusted for any reasonable transaction costs, taxes or duties that are not recoverable. Therefore, the amount refunded may be more or less than the amount invested. If the amount refunded exceeds the amount invested, the excess will be assessable for tax under the same rules applicable to withdrawals within 8 years.

Please note that the cooling-off period does not apply to additional investments, regular savings plan investments or switches or following the first exercise of any right or power under the Bond. Additionally, cooling off rights are not available to certain types of investors, described under the Corporations Act, as sophisticated, professional or wholesale investors.

## Bond Rules

Each Centuria Investment Bond is a separate "Benefit Fund" established under the Life Insurance Act. Each Investment Option is provided through a separate Benefit Fund.

When you invest in one of our Centuria Investment Bonds, you become a member of the relevant Benefit Fund and are subject to the Bond Rules set out in the Constitution and which have been registered with our regulator, APRA. As a Benefit Fund member, you have certain rights as specified in the Bond Rules.

The Bond Rules operate as a contract between you and us and are available for inspection at our office during normal business hours. To view a copy of the Bond Rules, you can call our Investor Service Team to arrange an appointment or we can send you an extract of relevant sections of the Bond Rules.

## Rights of Bond Owners and the nature of their interests under the Benefit Fund Rules

Bond Owners have an interest in the assets of each Benefit Fund constituting a Bond.

In the case of the Capital Guaranteed Bond, the Bond Owner's entitlement in the Bond is the proportion that the Bond Owner's account balance on the relevant date bears to the aggregate of the account balances of all Bond Owners who have entitlements in that Bond. Bond Owners do not have any specific interest in any part of the Bond or any authorised investment thereof.

In the case of the four Unit-Linked Options, the Bond Owner's interest is to the extent of that Bond Owner's unit holding, however, a unit holding does not confer any specific interest in any part of the Bond or any authorised investment thereof.

Bond Owners, as investors in the relevant Benefit Fund, may attend and vote at any meetings of that Benefit Fund convened in accordance with the Constitution of Centuria.

## Liability of Bond Owners

Bond Owners are under no personal obligation to indemnify Centuria or its creditors in respect to its liabilities in relation to the Bonds.

## Bond Investment Values

Unit prices are not calculated for the Capital Guaranteed Bond. The value of this Investment Option within your Bond is calculated as the total amount(s) invested (net of any contribution fees) and remaining within your Bond, plus the total of all accumulated annual bonuses declared (net of fees and taxes).

The value of a Unit-Linked Bond is calculated by multiplying the number of units by the prevailing unit sell price.

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## Withdrawal value

For the Capital Guaranteed Bond, if you make a partial withdrawal, we will pay the amount you show on your withdrawal form and your investment balance in this Bond will be reduced accordingly.

- For a full withdrawal, you will be paid:
- the total amount(s) invested (net of any contribution fees, if any) and remaining in this Bond; plus
- the total of all accumulated annual bonuses; plus
- any interim bonus, calculated on the Bond's daily balance at a rate which is approved by our Appointed Actuary for the period from the end of the previous financial year to the date of withdrawal.

If you intend to make a full withdrawal during a financial year, you can leave at least \$500 invested within this Investment Option until the next bonus declaration so that you receive the higher annual bonus.

For any payment on death or on withdrawal after 10 years, investors are also entitled to an additional maturity bonus that represents a share of the statutory reserves that have been set aside.

For a Unit-Linked Bond, a partial withdrawal will be calculated by multiplying the number of units to be withdrawn by the prevailing unit 'sell' price. Alternatively, if you request a specific amount, that amount will be divided by the prevailing unit 'sell' price to arrive at the number of units to be withdrawn. For a full withdrawal, the redemption amount you will be paid is calculated by multiplying the number of units in the Bond by the prevailing unit 'sell' price.

## Switching value

If you switch from the Capital Guaranteed Bond into a Unit-Linked Bond, the value of your investment into that Unit-Linked Bond will be equal to the withdrawal value of your Capital Guaranteed Bond (less any switching fee) multiplied by the prevailing 'buy' unit price of the Unit-Linked Bond.

If you switch from a Unit-Linked Option into the Capital Guaranteed Option, the value of your investment into the Capital Guaranteed Option will be equal to the withdrawal value of your Unit-Linked Option.

If you switch from one Unit-Linked Option (the switch-from Bond) into another Unit-Linked Option (the switch-to Bond), the value of your investment into the switch-to Bond will be equal to the withdrawal value of the switch-from Bond multiplied by the 'buy' unit price in the switch-to Bond.

## Withdrawals

When you invest in a Centuria Investment Bond you have access to your funds at any time. Regardless of the Term you nominate at Bond commencement, you can withdraw some or all of your balance at any time throughout the Term by completing a withdrawal form and returning the completed form to us for processing.

## The minimum amount that you can withdraw is \$500.

Once we receive your completed withdrawal form, we will process your request and a payment will be credited to your bank, building society or credit union account.

Please note that direct credits to third parties and cash payments are not available. For investments held in joint names, the signed authority of all joint investors is required. Special conditions apply to Bonds held individually by, or jointly with, a child under age 16 – see page 28 for further information about Children's Bonds.

In cases where withdrawn funds are to be disbursed by more than one payment (i.e. credits), we reserve the right to debit your Bond with, or recoup from you, any charge imposed on us, such as bank fees.

As withdrawals may have taxation consequences, we recommend that you seek taxation advice before making a withdrawal. Please refer to page 29 of this PDS for further information.

## Switching between Bonds

You may switch between any of the Centuria Investment Bonds including between any of the Unit-Linked Options and the Capital Guaranteed Option without disturbing your Bond's accrued tax benefits (including its start date) or its nominated Term and importantly, without triggering a personal tax or capital gains tax liability. This gives you the flexibility to manage your Bond to suit your current and future investment aims and objectives.

The minimum value that you can switch is \$500. If you wish to retain your Bond, a minimum balance of \$500 must remain in the Bond you switch out of. There are no restrictions on the number of switches you may undertake, nor are there any switching fees payable.

You can maintain investments in any or all of the five investment options and it will be recorded against your original Bond commencement date with no taxation consequences as you switch to actively manage your investment options.

## Processing periods

We will normally process withdrawals and switches within 10 Business Days of receiving a request.

There may be situations outside of our control where we may need to delay the usual redemption or switching period. These situations may be caused by delays in realising the underlying investments of each Bond, due to circumstances such as market disruptions, restrictions imposed by law, due to the illiquidity of the underlying investments or redemption restrictions. Should such delays occur, we may delay in whole or part, the processing of withdrawal or switching requests by up to three months. We will not be responsible for any adverse movement in the Bond's investment value during such periods of delay.

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# How we administer your Bond (continued)

## Assignments / Transfers

The ownership of your Bond may be transferred to another person or entity at any time (known as assignment). Once we register the transfer, you no longer have any control over the Bond or entitlement to its proceeds. Other than for transfers as security for a loan, you will cease to be a member of the relevant Benefit Fund. The person taking the transfer of the Bond will become a member of the relevant Benefit Fund.

Children aged between 10 and less than 16 years cannot transfer their Bond to another party, but may accept a transfer from another party with their parent's or guardian's written consent. Children receiving a transfer do not have access to the Bond until they reach age 16, unless the Bond matures.

Transfers may be useful for those wishing to use their Bond as security for a loan or to transfer assets to a third party (please refer to page 29 for detail on the taxation consequences of transfer).

## Children's Bonds

Special conditions apply to Bonds held individually by, or jointly with, a child under age 16 (but at least age 10). These Bonds have restricted access and may only be cancelled in full during the cooling-off period. To cancel a Children's Bond, written notice of the cancellation must be received by us during the cooling-off period, together with a letter of request signed by the parent or guardian who consented to the opening of the Children's Bond. A refund, as explained under 'Cooling-off period' on page 26, will be made. After the cooling-off period has elapsed, no withdrawals are allowed from these Bonds until the child investor reaches age 16, except in the event of the child's death.

## Keep you informed

To help you keep track of your investment, we will send you the following information:

- a letter confirming your initial investment and setting out your Bond details;
- individual transaction confirmations; and
- an annual statement showing the transactions for the last 12 months and the value of your investment.

To change your address or other Bond details, you must notify us in writing, quoting your client and/or Bond number.

## Accessing forms

To obtain a copy of our withdrawal, transfer or switching forms and for more information about your Bond, contact Investor Services on:

**1300 50 50 50** or download a form from our website [www.centuria.com.au/investment-bonds](http://www.centuria.com.au/investment-bonds)

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# Additional tax information

**Please read this section in conjunction with other tax-related statements in this PDS, including on pages 8 and 9 “Tax benefits explained”.**

## **No annual tax assessment for investor**

You are not required to include ongoing earnings or growth in the value of your Bond in your annual personal tax returns.

## **Tax position of investor upon withdrawal**

You are not required to include the withdrawn value of your Bond (including its growth component) in your tax return if withdrawn in the following circumstances:

- After the 10 year tax period;
- At any time, if withdrawal is due to death, accident disability or, serious illness or other disability of the selected Life Insured;
- At any time, if withdrawal is due to unforeseen serious financial difficulties experienced by you (as Bond Owner).
- You are required to include the following proportion of the growth component of a withdrawn amount, if a withdrawal occurs in any other circumstances during the 10 year tax period:
- The full growth component, if withdrawn in any year up to the eighth year of the 10 year tax period;
- Two-thirds of the growth component, if withdrawn in the ninth year of the 10 year tax period;
- One-third of the growth component, if withdrawn in the tenth year of the 10 year tax period.

Any assessable amount on withdrawal (or partial withdrawal) will also attract a 30% tax offset, to compensate for tax pre-paid by us on Bond earnings or growth.

We recommend that you seek taxation advice before making any withdrawals.

## **No tax upon transfer/assignment**

Where an assignment or transfer of a Bond to another owner has occurred without consideration or payment, there will be no income tax or CGT consequences for either the original or subsequent Bond Owner. For tax purposes, the new Bond Owner will simply inherit the tax position of the original Bond Owner.

However, if you are planning an assignment or transfer that involves consideration or payment, we recommend you obtain taxation advice before assigning or transferring your Bond.

## **Capital Gains Tax (CGT)**

Realised capital gains on the value of a Bond investment (unlike other investments) are not normally subject to CGT.

## **Goods and Services Tax (GST)**

GST is not payable on contributions, investment growth, withdrawals or switching transactions.

## **No need to quote a tax file number**

Under current tax and privacy laws, investors in a Bond are not required to provide their tax file number.

## **Non-resident withholding taxes do not apply**

Bond earnings/growth are not subject to withholding tax. We are generally not obliged to withhold tax from income distributions, nor from amounts paid on withdrawal to non-resident investors. Non-resident investors in most other investments need to consider withholding tax implications.

## **Basis of taxation information**

The taxation information provided throughout this PDS is provided as a general guide on the implications of investing in the Centuria Investment Bonds.

As tax laws are subject to change from time to time, we recommend that investors seek independent professional advice before investing in any of the Bonds referred to in this PDS and as appropriate during their holding period as an investor.

Non-resident investors should seek additional professional advice on any tax implications in their country of residence.

## **Asset protection from creditors**

Life insurance policies, such as the Centuria Investment Bonds, enjoy special protection under Australia's bankruptcy laws. Generally, where the investor and the Life Insured are the same person, or if the Bond's spouse were the Life Insured, the Bond and its proceeds are protected from creditors.

# Other important information

## Complaints

If you have a complaint about your investment in the Bonds, please write to us at: Centuria Group, Complaints Officer, GPO Box 695, Melbourne Victoria 3001. We will acknowledge receipt of the complaint within 14 days and will seek to resolve the complaint as soon as practicable and, in any event, within 90 days after receipt of the complaint.

If you are not satisfied with our final response, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA).

**Online:** [www.afca.org.au](http://www.afca.org.au)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Phone:** 1800 931 678 (free call)

**Mail:** Australian Financial Complaints Authority  
GPO Box 3, Melbourne Victoria 3001.

## Related party transactions

The Centuria Investment Bonds may invest in assets managed by Centuria or related parties and related parties may provide services in respect of the investment or administration of the Bonds for which fees are charged at commercial rates. Related parties include Centuria Property Funds Limited ABN 11 086 553 639, AFSL 231149, the manager of property trusts in which some of the Bonds may invest.

All related party transactions are conducted on normal commercial terms and conditions on an arm's length basis.

## Capital Guarantee

Centuria has executed a deed poll under which it has assumed a binding obligation to guarantee, from its Management Fund, the return to each Bond Owner in the Capital Guaranteed Bond the sum of their capital invested (net of any contribution fees) and declared bonuses (net of fees and taxes) ('Guaranteed Capital'). The guarantee takes effect if, on the termination of a Capital Guaranteed Bond or on the surrender or maturity of a Bond, the Bond proceeds to be paid from the Capital Guaranteed Bond are less than the Bond Owner's guaranteed capital. The protection afforded under this deed poll is in addition to the protections provided by the reserving arrangements described in the Glossary.

## Privacy statement

The privacy of your personal information is important to us. We are committed to ensuring that we respect your rights to privacy and comply with the Australian Privacy Principles set out in the Privacy Act 1988 (Commonwealth) (Privacy Act). Any information provided by you to us will be dealt with in accordance with the Privacy Act and our Privacy Policy.

When you complete the application form, you are consenting to Centuria using and disclosing personal information from you in accordance with our Privacy Policy. We need to collect your personal information for the primary purpose of providing you with an investment in the Bonds and to manage and administer your investment. We also collect your personal information for the purpose of letting you know about other products or services from us, our related companies and other companies that might serve your financial needs or promotions or other opportunities in which you may be interested.

We will take reasonable steps to ensure the security and protection of your personal information against misuse, interference, loss and unauthorised access, modification or disclosure.

## Please note the following matters in relation to personal information that is collected from you in connection with your investment in the Bonds:

- You are entitled to gain access to any personal information you have provided to us, subject to some exceptions allowed by law. We will give you reasons if we deny you access. Please contact us, using the contact details set out in this PDS, if you have any questions about how we handle your personal information or if you wish to access the personal information we hold about you.

We may use and disclose your personal information to the following types of organisations:

- those involved in assisting us to issue, manage and administer your investment in the Bonds, including other companies within the Centuria Group, third party administration service providers, printers, mailing houses, call centres and advisers;
- related companies and their service providers (such as mail houses), who wish to tell you about products or services that might serve your needs or promotions or other opportunities in which you may be interested;
- your advisers, their service providers and any joint holder of your investment (if any);
- any government body or agency who lawfully requests access to your personal information.

If you do not want us or the organisations described above to send information to you about other products or services, please let us know by contacting us, using the contact details set out in this PDS or by checking the box provided in the application form.

If there are changes to the information you have provided on the application form, such as your name or address, or if you have any complaints or questions about the privacy of your personal information, please notify us in writing to us at:

**GPO Box 695, Melbourne, Victoria 3001**

If we do not respond to your complaint or question to your satisfaction, you can write to the:

**Office of the Australian Information Commissioner  
GPO Box 5218 Sydney NSW 2001.**

Our Privacy Policy may be updated from time to time. A copy of Privacy Policy can be obtained from our Investor Services Team or at [www.centuria.com.au](http://www.centuria.com.au)

## Anti-Money Laundering legislation

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) is aimed at addressing money laundering in Australia and the threat to national security caused by terrorism. This legislation requires us to collect identification information from you and to verify your identity from original or certified copies of specified documents before we can process your application. Details of what identification information and documentation you are required to provide are set out in the application form attached to this PDS.



We may ask you to provide information that is reasonably required to verify your identity, the identity of any underlying Beneficial Owner or the source or destination of any payment to or from the Bond. We may also require you to provide updated or additional information from time to time.

Under this legislation we are also required to monitor transactions to identify any suspicious activity on a Bond Owner's account.

By applying to invest in the Bond you warrant:

- (a) that you comply with all applicable anti-money laundering laws and regulations;
- (b) you are not aware and have no reason to suspect that:
  - (i) the monies used to fund your investment in the Bond have been or will be derived from or related to any money laundering and other activities deemed illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement (illegal activity); and
  - (ii) the proceeds of your investment in the Bond will be used to finance illegal activities;
- (c) you agree to provide us with all information that we reasonably request promptly so that we can comply with our anti-money laundering legal obligations;
- (d) you understand that we or our agents are able to disclose your personal details to law enforcement agencies, including AUSTRAC, if we or our agents believe it is necessary to do so in order to comply with our obligations under the anti-money laundering laws of Australia and that we or our agents may be required to keep such disclosure confidential;
- (e) you are not a Politically Exposed Person or organization as referred to in the AML Act and regulations and instruments made under it.

Under the AML Act, we are required to provide information about Beneficial Owners for different types of entity, including Australian incorporated entities (certain proprietary limited companies and trusts) and overseas incorporated entities (companies, partnerships, trusts and estates).

A Beneficial Owner Information Form is available on our website [www.centuria.com.au/investment-bonds](http://www.centuria.com.au/investment-bonds) or by contacting Investor Services Team on 1300 50 50 50.

## Disclosure of interests

Apart from (i) professional fees paid to experts associated with the preparation of this PDS; and (ii) the ordinary remuneration paid to directors of Centuria, no expert or director of Centuria has any interest in the assets of the Centuria Investment Bonds.

In addition, directors of Centuria may, and do, own shares in Centuria Capital, which is Centuria's parent company.

## Directors' authorisation

Each director of Centuria has authorised the issue of this PDS.

## United States of America (US) Foreign Account Tax Compliance Act (FATCA)

FATCA is a US law that came into effect on 1 July 2014 which impacts investors worldwide. FATCA attempts to minimise 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 Government of the United States of America for reciprocal exchange of taxpayer information. Under the IGA, Financial Institutions operating in Australia report information to the Australian Taxation Office (ATO) rather than the IRS. The ATO may then pass the information on to the IRS.

Centuria and its Benefit Funds are a 'Foreign Financial Institution' (FFI) under the IGA and Centuria complies with its FATCA obligations, as determined by Australian law implemented for the purposes of compliance with the IGA. These laws apply to all Financial Institutions offering bank or deposit accounts, investment funds, custodial accounts and certain insurance accounts in Australia.

In order to comply with these obligations, Centuria collects information about you as necessary to verify your FATCA status.

Centuria is required to provide information about the following investors to the ATO:

- investors identified as US citizens or tax residents (information about corporations and trusts with US substantial owners or controlling persons will also be reported); and
- investors who do not confirm their FATCA status.

A FATCA form is included in the application form and all investors are required to sign the self-certification form. If you are unable to identify your status under FATCA, Centuria has prepared a guidance form which can be obtained from Centuria's website or by calling Centuria Investor Services Team on 1300 50 50 50.

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# Direct debit request service agreement

## 1.1 Our commitment to you

This section outlines our service commitment to you, and your rights and responsibilities, in respect of the Direct Debit Request arrangements made between Centuria Life Limited and you. You should retain a copy of this document for future reference.

## 1.2 Initial terms of the arrangement

In terms of the Direct Debit Request arrangements made between you and us, and signed by you, we undertake to periodically debit your nominated account with the agreed amount for deposit to your specified Bond(s).

## 1.3 Drawing arrangements

- The first drawing under this Direct Debit arrangement will occur on the date specified by you.
- If any drawing falls due on a non-Business Day, it will be debited from your nominated account on the following Business Day after the scheduled drawing date.
- We will give you at least 14 days notice in writing when changes to the initial terms of the arrangement are made. This notice will state the new amount, frequency and next drawing date as applicable.

## 1.4 Changes to the arrangement

If you want to make changes to the drawing arrangements, please contact us in writing.

These changes may include:

- deferring the drawing;
- altering the schedule;
- stopping an individual debit;
- suspending the Direct Debit Request; and
- cancelling the Direct Debit Request.

These should be made at least seven Business Days prior to the next scheduled drawing date.

## 1.5 Enquiries

If you have any enquiries, they should be directed to us, rather than to your financial institution. All communications addressed to us should include your Investor Number.

All personal information held by us will be kept confidential, except for information provided to our financial institution to initiate the drawing from your nominated account, information provided to our financial institution in the event that you believe a drawing has been initiated incorrectly, or information that may be disclosed to a third party as required by law.

## 1.6 Disputes

- If you believe that a drawing has been initiated incorrectly, we encourage you to take the matter up directly with us by contacting our Investor Services Team on 1300 50 50 50.
- If you do not receive a satisfactory response to your dispute from us, contact your financial institution.
- You will receive a refund of the drawing amount if we cannot substantiate the reason for the drawing.

**Note:** Your financial institution will ask you to contact us to resolve your disputed drawing prior to involving them.

## 1.7 Your commitment to us

It is your responsibility to ensure that:

- your nominated account can accept direct debits (your financial institution can advise you on this);
- on the drawing date there are sufficient cleared funds in the nominated account;
- the authorisation on the Direct Debit Request is identical to the account signing instructions held by the financial institution of the nominated account; and
- you advise us if the nominated account is transferred or closed.

If your drawing is returned or dishonoured by your financial institution, we will not attempt to redraw and any transaction fees payable by us will be debited to your Bond. Consecutive returns or dishonours may result in the direct debit facility being cancelled by us.

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# Glossary

## **Allowable Range**

Is the spread of a Bond's investments within different asset classes.

## **Appointed Actuary**

Means the actuary appointed by Centuria pursuant to provisions of the Life Insurance Act.

## **AFSL**

Australian financial services licence.

## **APRA**

Means the Australian Prudential Regulation Authority.

## **AUSTRAC**

Means The Australian Transaction Reports and Analysis Centre.

## **Beneficial Owner**

Means as an individual (a natural person or persons) who ultimately owns or controls (directly or indirectly) the registered Bond Owner.

Ownership for the purposes of determining a beneficial owner means owning 25 per cent or more of the registered Bond Owner.

The definition of 'control' includes whether the control is exerted by means of trusts, agreements, arrangements, understandings or practices and whether or not the individual has control based on legal or equitable rights. It includes where an individual can exercise control through making decisions about financial and operating policies.

## **Benefit Fund**

Means any of the Bonds.

## **Bond Owner**

The registered holder of the Bond.

## **Bond Rules**

Rule A of the Appendix to the Constitution, which established the Centuria Investment Bonds, as amended from time to time.

## **Bond Year**

The 12 month period from a Bond's commencement date or an anniversary of the commencement date.

## **Bonds**

Centuria Investment Bonds.

## **Business Day**

Means a day in which Australian banks are open for business in Melbourne excluding a Saturday, Sunday or public holiday.

## **CGT**

Capital Gains Tax, as referred to in the Income Tax Assessment Act 1997.

## **Capital Guaranteed Option**

Means the Capital Guaranteed Bond.

## **Capital Guaranteed Reserving**

The Capital Guaranteed Bond is subject to our Reserving Policy. We are required to maintain a reserve for the Capital Guaranteed Bond to protect the security of the Bond Owner's capital. The amount of this reserve depends on the value of the Bond's assets and how sensitive the market value of the Bond is to interest rate movements.

## **Centuria Investment Bonds**

Means one or more of the following Benefit Funds established by Centuria in its books and records under the Life Insurance Act and offered under this PDS:

- the Centuria Capital Guaranteed Bond Fund (referred to in this PDS as the "**Capital Guaranteed Bond**");
- the Centuria Cash Plus Fund (referred to in this PDS as the "**Cash Plus Bond**");
- the Centuria Balanced Fund (referred to in this PDS as the "**Balanced Bond**");
- the Centuria Growth Fund (referred to in this PDS as the "**Growth Bond**"); and
- the Centuria Australian Shares Fund (referred to in this PDS as the "**Australian Shares Bond**").

## **Constitution**

Means the constitution of Centuria Life Limited.

## **Corporations Act**

The Corporations Act 2001 (Cth) and the regulations made under the Corporations Act, as amended from time to time.

## **GST**

Goods and Services Tax, as referred to in A New Tax System (Goods and Services Tax) Act 1999.

## **Government Duties**

Stamp duty, estate duty, succession duty, probate and other like duty payable in respect of the Bonds or payable as a consequence of contracting with a Bond Owner or payment of a benefit on the death of a Bond Owner or Life Insured.

## **Life Insurance Act**

The Life Insurance Act 1995 (Cth) and the regulations, rules and standards (including Prudential Standards) made under the Life Insurance Act, as amended from time to time.

## **Life Insured**

Means the person(s) whose death will cause the Bond to mature.

## **Management Fund**

Means the Management Fund of Centuria.

## **PDS**

This Product Disclosure Statement.

## **Politically Exposed Person**

Means an individual who occupies a prominent public position or functions in a government body or international organisation, both within and outside Australia. This definition also extends to their immediate family members and close associates.

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# Glossary (continued)

## **Reserving Policy**

Reserving is a mechanism that we apply to our Capital Guaranteed Bond to enable us to guarantee your capital and bonuses each year.

In order to provide this capital guarantee, APRA requires that we put aside, or reserve, a certain level of retained profits each year. Our Appointed Actuary determines this amount by examining the Bonds' assets and assessing the risk of a sharp drop in their value if investment markets are faced with a shock (as defined in the APRA Prudential Standards).

If a Bond Owner were to withdraw during a period of loss, the reserved funds aim to ensure that all the funds invested by the Bond Owner, and their declared bonuses are guaranteed and the Bond Owner will not suffer a capital loss.

Though reserved amounts are restricted from being paid out as an annual or interim bonus, they are paid to Bond Owners at maturity or when the proceeds are paid upon the death of the Life Insured.

## **Term**

Means the term of the Bond as selected by the Bond Owner, between 10 and 40 years.

## **Unit-Linked Options**

Means the Cash Plus Bond, the Balanced Bond, the Growth Bond and the Australian Shares Bond.

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# Application Forms

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# How to Invest

This Application Form (including Direct Debit Authority) forms part of the Product Disclosure Statement issued by Centuria Life Limited (ABN 79 087 649 054) (AFSL 230867) for the Centuria Investment Bonds dated 23rd October 2018. This PDS contains important information about the Centuria Investment Bonds. Please read this PDS before applying.

Any person who gives another person access to this application form must at the same time and by the same means, give the other person access to the PDS and any Supplementary PDS. The offer to which the PDS relates is only available to eligible investors receiving a copy (electronically or otherwise) in Australia. Unless the context requires otherwise, capitalised terms used in this application form have the meaning given to them in the PDS. We reserve the right to accept or refuse any application for investment in the Centuria Investment Bonds.

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## Online Applications Are Recommended

Go to the following online Application website and follow the instructions to complete your Application:  
**[fundservices.centuria.com.au/online-app/centuria](https://fundservices.centuria.com.au/online-app/centuria)**

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## Checklist - Completing your Application Form

- Step 1:** Complete the **Application Form - Centuria Investment Bonds**
- Step 2:** Complete the applicable section:
  - Identification Form 1 - Individual, Joint, Sole Trader** (on page 43).
  - Identification Form 2 - Australian Companies** (on page 45).
  - Identification Form 3 - Trusts** (on page 49).
- Step 3:** If applicable, complete the **Adviser Details section** (on page 52)
- Step 4:** Complete the **Tax Information Form** (on page 53).
- Step 5:** Complete the **Privacy Statement and Signatures** form (on page 54).
- Step 6:** **Make payment** using one of the payment methods over the page.
- Step 7:** If required complete the **Direct Debit Authority Form** (on page 55).

---

## Where to send your Application

Centuria Life Limited

C/O [Centuria Investor Services]  
GPO Box 804  
Melbourne, VIC 3001

**Please Note:** Your Application cannot be processed until both your original Application Form, payment and the required identification documents have been received by Centuria Life Limited.






# How to Invest

## Payment Method

Please select one of the three payment methods and indicate on your application your preference. All payments must be made in Australian dollars (AUD).

### 1. BPAY®

You can make payment with your bank using telephone or internet banking. You will need to quote the biller code and reference number when making your payment. Once your original application is accepted, Centuria Investor Services will contact you by phone or email to provide you with your BPAY Reference Number. Please make your payment within 14 days of this notification.

Fund	BPAY details
Centuria Capital Guaranteed Bond Fund	 Biller code 249284
Centuria Growth Bond Fund	 Biller code 249235
Centuria Australian Shares Fund	 Biller code 249219
Centuria Balanced Fund	 Biller code 249250
Centuria Cash Plus Fund	 Biller code 249201

© Registered to BPAY Pty Ltd ABN 69 079 137 518

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

### 2. Direct Debit

You can allow us to deduct your application amount directly from your nominated financial institution account by completing the direct debit authority below. This debit will be made through the Bulk Electronic Clearing System (**BECS**) from your account held at the financial institution you have nominated on the direct debit authority form on page 55.

By completing this section, you have understood and agreed to the terms and conditions governing the debit arrangements between you and OneVue Fund Services Pty Ltd, as set out in this Request and in your Direct Debit Request Service Agreement, a copy of which is available on [www.onevue.com.au](http://www.onevue.com.au)

### 3. Electronic Funds Transfer

Please transfer funds electronically to the following account and send your completed Application Form to the address below.

**Account name:** [fund name]  
**BSB:** [number]  
**Account number:** [number]  
**Your reference:** [please use the name of the investor]

Please contact investor services on 1300 50 50 50 for bank account details of the Fund you wish to make an EFT into.

**Your reference:** Please use the name of your investment entity. If you are an existing investor please use your investor number.

It is important to include your **investment entity** as your reference to ensure there is no delay with your investment.



# Application Form

## Centuria Investment Bonds



### Guide to completing this Application Form.

- Complete the form for each New Investor nominated on your Application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on 1300 50 50 50.

### 1. Investor Identification

The AML legislation requires Centuria Life Funds to confirm the identity of each Investor. If Centuria Life Limited is not able to do so, it may not be able to accept your Application. If you have previously invested in a Centuria Life Limited, we already have your AML information on record.

Has the person/entity invested in a Centuria Investment Bond previously?

Yes, Bond number:

#### Has there been any change to the following?

- If a company, the company details including directors, beneficial owners and key stakeholders (greater than 25% of shares).
- If a trust, the trust details including trustee and beneficiaries.

Yes - You must complete the identification form referring to your investment entity.

No - Complete the Tax Information form on page 53, (if not completed previously).

No, I have not invested previously.

1. Individual/Joint Investor > Complete Investor Identification Form – Individuals

2. Company > Complete Investor Identification Form – Australian Companies

3. Trust > Complete Investor Identification Form – Trust

### 2. Investment Details (minimum investment \$500)

Bond	Initial Investment	Bond	Initial Investment
Guaranteed Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Cash Plus Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Balanced Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Australian Shares Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Growth Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		
<b>Nominal term:</b> (min 10 years)	<input type="text"/> <input type="text"/> Years	<b>Total gross investment</b>	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

You can nominate any term between 10 and 40 years. Regardless of the nominated period you can access your funds at anytime and your investment can continue after the term. If you leave this blank you will default to a 40 year term to give you maximum flexibility. See page 26 of the PDS for more details.

### 3. Regular Contribution Plan

I/We wish to participate in the Regular Contribution Plan and I/we agree to be bound by the service agreement terms and conditions outlined in the Direct Debit Request Service Agreement. Direct debits are processed on the 20th of each month.

Debits to commence     /   /

Capital Guaranteed Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Yearly
Cash Plus Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Yearly
Balanced Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Yearly
Growth Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Yearly
Australian Shares Bond	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Yearly

Please complete the Direct Debit Authority form on page 55.

If you do not complete this form, your investment will not be processed.

(Continued on the next page)

# Application Form

## Centuria Investment Bonds

### 4. Source of Funds

Please confirm the source and origin of funds being invested. e.g. Inheritance, savings or superannuation contributions.

### 5. Payment Details

These details are required so your payment can be matched to your Application Form.

Please indicate your payment method:

Direct Debit

> Complete **Direct Debit Authority** form on page 55

EFT

> Your Reference

BPAY®

> Please refer to payment section 'How to Invest' on page 38.

### 6. Primary Contact Details

These contact details will be used for all investment correspondence.

Title

Given name(s)

Surname

Address

Suburb

State

Postcode

Country

Work phone

Home phone

Mobile phone

Facsimile

Email

# Application Form

## Centuria Investment Bonds

### Life insured

If no Life Insured is nominated, it will default to the Bond holder

#### Life Insured 1

Title	Given name(s)				
<input type="text"/>	<input type="text"/>				
Surname	Date of birth				
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential address		State	Postcode		
<input type="text"/>		<input type="text"/>	<input type="text"/>		
Phone (Day)		Mobile			
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Email address					
<input type="text"/>					

#### Life Insured 2

Title	Given name(s)				
<input type="text"/>	<input type="text"/>				
Surname	Date of birth				
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential address		State	Postcode		
<input type="text"/>		<input type="text"/>	<input type="text"/>		
Phone (Day)		Mobile			
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Email address					
<input type="text"/>					

# Application Form

## Centuria Investment Bonds

### Beneficiary nomination

- Beneficiary nomination is only available on individual bonds where Applicant 1 is aged 16 years or older and is the Life Insured.
- Beneficiaries may be changed or revoked by notice in writing from Applicant 1 at any time prior to death.
- A transfer of the Bond by way of an assignment will automatically cancel and revoke any prior nomination.

**I, Applicant 1, nominate the beneficiary(s) listed below to receive the proceeds of the investment(s) to which this application form relates in the proportion specified hereunder.**

	Beneficiary 1	Beneficiary 2
Surname	<input type="text"/>	<input type="text"/>
Given Name(s)	<input type="text"/>	<input type="text"/>
Date of Birth	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
% of benefit	<input type="text"/> %	<input type="text"/> %
	Beneficiary 3	Beneficiary 4
Surname	<input type="text"/>	<input type="text"/>
Given Name(s)	<input type="text"/>	<input type="text"/>
Date of Birth	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
% of benefit	<input type="text"/> %	<input type="text"/> %
	Beneficiary 5	Beneficiary 6
Surname	<input type="text"/>	<input type="text"/>
Given Name(s)	<input type="text"/>	<input type="text"/>
Date of Birth	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
% of benefit	<input type="text"/> %	<input type="text"/> %

# Identification Form 1

## Individuals, Joint, Sole Trader



### Guide to completing this Application Form.

- Complete the form for each Applicant Individual nominated on your Application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- **Advisors** who have completed a customer identification management agreement must still complete this form (certified copies of ID are not required if an agreement has been authorised by licensee).
- Any queries please contact the Centuria Investor Services team on **1300 50 50 50**.

### Investor 1

(personal details)

Title

Mr  Ms  Mrs  Dr  Miss

Surname

Date of birth

D	D	M	M	Y	Y
---	---	---	---	---	---

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

*Postal address (if different to residential address).*

Postal address

Suburb

State

Postcode

Country

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

*Complete if you are a sole trader.*

Full business name

ABN

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Business address (Not a PO Box)

Suburb

State

Postcode

Country

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

### Investor 2

(personal details)

Title

Mr  Ms  Mrs  Dr  Miss

Surname

Date of birth

D	D	M	M	Y	Y
---	---	---	---	---	---

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

*Postal address (if different to residential address).*

Postal address

Suburb

State

Postcode

Country

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

(Continued on the next page)

# Identification Form 1

## Individuals, Joint, Sole Trader

**Required identification documents** (minimum age for joint bond owners is 10 years. Where a bond owner is below 16 years of age, we require the identification documents of the parent or guardian who completed section 4, above).

- A Current Drivers Licence or passport, **or**
- A Birth Certificate **and**  
A Tax Assessment (less than 12 months old), council rates notice or utilities provider account (less than 3 months old).

For other acceptable forms of identification, please call our **Investor Services Team on 1300 50 50 50**.

### Adviser Certification under an agreement with Centuria Life Limited

*This option is only available to persons acting on behalf of an AFS licensee that has entered into a customer identification management agreement with Centuria Life Limited. Please select another Identity Verification Method if this does not apply. Please contact the Centuria Investor Services on 1300 50 50 50 for further information.*

- I have completed a customer identification management agreement with Centuria Life Limited; and
- Attached to this application form at Schedule 1 is a duly completed Certification as required by the customer identification management agreement, executed by an authorised officer (page 57).

**IMPORTANT:** This Identification Form is now complete. Please proceed to the Tax Information form on page 53.

# Identification Form 2

## Australian Companies



### Guide to completing this Application Form.

- Complete the form for the Australian Company nominated on your Application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- **Advisors** who have completed a customer identification management agreement must still complete this form (certified copies of ID are not required if an agreement has been authorised by licensee).
- Any queries please contact the Centuria Investor Services team on **1300 50 50 50**.

## Section 1 - Australian Company Details

### Section 1.1 - General Information

Full name as registered by ASIC / Account designation

ACN / ABN

TFN

Registered office address (Not a PO Box)

Suburb

State

Postcode

Country

Principal place of business (if different from registered office) (PO Box is NOT acceptable)

Suburb

State

Postcode

Country

### Section 1.2 - Regulatory/Listing Details

Select any categories which apply to the company and provide the information requested.

Regulated company (licensed by an Australian Commonwealth, State or Territory statutory regulator)

Regulator name

Licence details

Australian listed company

Name of market/exchange

Majority-owned subsidiary of an Australian listed company

Australian listed company name

### Section 1.3 - Company Type

Select ONE of the following categories.

Public

Proprietary

### Section 1.4 - Directors

Only needs to be completed for proprietary companies.

How many directors are there?

Provide full name of each director below

Full given name(s)

Surname

1.	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>

If there are more directors, provide details on a separate sheet

(Continued on the next page)

# Identification Form 2

## Australian Companies



### Section 1.5 - Beneficial Owners

*Please provide the details for those persons who own or control more than 25% of the company. If a beneficial owner is a company or trust and not an individual, please contact Centuria to request a separate form to provide further details on the company or trust.*

#### Beneficial Owner 1

Surname				Date of birth	D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State	Postcode	Country							

#### Beneficial Owner 2

Surname				Date of birth	D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State	Postcode	Country							

#### Beneficial Owner 3

Surname				Date of birth	D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State	Postcode	Country							

#### Beneficial Owner 4

Surname				Date of birth	D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State	Postcode	Country							



---

# Identification Form 2

## Australian Companies

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### Section 1.6 – Acceptable Company ID Documents

- An originally certified copy of the driver's licence OR passport for each beneficial owner of the company with a 25% or more ownership stake; and
- A copy of the full ASIC extract of the company (the ASIC extract is used to verify that the beneficial owners listed on the form are correct).

---

### Section 2 - Adviser Certification under an agreement with Centuria Life Limited

*This option is only available to persons acting on behalf of an AFS licensee that has entered into a customer identification management agreement with Centuria Life Limited. Please select another Identity Verification Method if this does not apply. Please contact the Centuria Investor Services on 1300 50 50 50 for further information.*

- I have completed a customer identification management agreement with Centuria Life Limited; and
- Attached to this application form at Schedule 1 is a duly completed Certification as required by the customer identification management agreement, executed by an authorised officer (page 57).

---

**IMPORTANT:** This Identification Form is now complete. Please proceed to the Tax Information form on page 53.

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# Identification Form 3 Trusts



## Guide to completing this Application Form.

- Section 1 must be completed for all trusts; AND select and complete ONE of the following Sections for the trustee/s:
- Section 2 (applicable Sections) – if selected trustee is an individual
- Section 3 (applicable Sections) – if selected trustee is an Australian Company.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number
- Advisors who have completed a customer identification management agreement must still complete this form (certified copies of ID are not required if an agreement has been authorised by licensee).
- Any queries please contact the Centuria Investor Services team on 1300 50 50 50.

## Section 1 - Trust Details

General information.

Account designator (name of trust or deceased estate or other entity or person)

ACN / ABN

TFN

Full business name (if any)

Country where trust established

Type of Trust (select only ONE of the following trust types and provide the information requested).

Type of Unregulated Trust

Family Trust

Unit Trust

Testamentary Trust

Other, please specify

Type of Trustee

Individual(s) **Note:** Please also complete the Individual(s) Section 2 on page 43.

Company **Note:** Please also complete the Company Section 4 on page 45.

Appointer name (Individual who holds the power to appoint or remove the trustee)

Settlor name (Not required if the settlor is deceased or the material asset contribution to the trust by the settlor at the time the trust was established was less than \$10,000)

## Section 2 – Individual Trustee Details

Complete this Section if the trustee is an individual.

### Individual Trustee 1

Surname

Date of birth

Full given name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

### Individual Trustee 2

Surname

Date of birth

Full given name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

(Continued on the next page)

# Identification Form 3

## Trusts

### Section 3 – Australian company details (to be completed if trustee is an Australian company)

#### Section 3.1 - General information

Full name as registered by ASIC

ACN

Residential office address (Not a PO Box)

Suburb

State

Postcode

Country

Principal place of business (if different from registered office) (PO Box is NOT acceptable)

Suburb

State

Postcode

Country

#### Section 3.2 - Regulatory/Listing Details

Select any categories which apply to the company and provide the information requested.

Regulated company (licensed by an Australian Commonwealth, State or Territory statutory regulator)

Regulator name

Licence details

Australian listed company

Name of market/exchange

Majority-owned subsidiary of an Australian listed company

Australian listed company name

#### Section 3.3 - Company type

Select ONE of the following categories.

Public

Proprietary

#### Section 3.4 - Directors

Only needs to be completed for proprietary companies.

How many directors are there?

Provide full name of each director below

Full given name(s)

Surname

1.

2.

3.

4.

If there are more directors, provide details on a separate sheet

# Identification Form 3

## Trusts

### Section 3.5 - Australian company details

Please provide the details for those persons who own or control more than 25% of the company. If a beneficial owner is a company or trust and not an individual, please contact Centuria to request a separate form to provide further details on the company or trust.

#### Beneficial owner 1

Surname				Date of birth						
					D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State			Postcode			Country			

#### Beneficial owner 2

Surname				Date of birth						
					D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State			Postcode			Country			

#### Beneficial owner 3

Surname				Date of birth						
					D	D	M	M	Y	Y
First Name(s)										
Residential address (Not a PO Box)										
Suburb	State			Postcode			Country			

### Section 4 – Required identification documents

#### For Trusts that do not have an ABN, we require:

A certified copy of the full Trust Deed.

#### For one of the individual trustees, please attach a certified copy of:

A Current Driver's Licence, or passport, **or**

A Birth Certificate **and**  
A Tax Assessment (less than 12 months old), council rates notice or utilities provider account (less than 3 months old).

For other acceptable forms of identification, please call our **Investor Services Team on 1300 50 50 50.**

(Continued on the next page)

# Adviser Details

## 1. Contact and initial advice fee

Please have your financial Adviser complete and sign this Section, to confirm they hold a current AFS licence and are authorised to deal or advise on managed investment products.

Adviser name(s)

Adviser surname

Adviser Email Address

I hereby direct Centuria Life Limited to pay an adviser service fee, out of my application monies on my/our behalf to my financial adviser.

Licensee

AFS Licence No.

Adviser Company (if applicable)

Initial Advice Fee (if applicable) excluding GST\*

%

Please ensure your licensee has signed an RCTI agreement with Centuria Life Limited.

\*GST will be deducted separately

This fee will also apply to additional contributions.

## 2. Ongoing Adviser Service Fee

Adviser Service Fee (Excluding GST & paid monthly in arrears)  %pa based on the investors account balance or \$  pa or such other percentage pa or other dollar amount pa that Centuria is instructed from time to time to pay to the Financial Adviser by the Bond Owner.

## 3. Adviser Certification under an agreement with Centuria Life Limited

This option is only available to persons acting on behalf of an AFS licensee that has entered into a customer identification management agreement with Centuria Life Limited. Please select another Identity Verification Method if this does not apply. Please contact the Centuria Investor Services on 1300 50 50 50 for further information.

I have completed a customer identification management agreement with Centuria Life Limited; and

Attached to this application form at Schedule 1 is a duly completed Certification as required by the customer identification management agreement, executed by an authorised officer (page 57).

# Tax information form

## Why you need to complete this form

The Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) are regulatory requirements that aim to deter tax evasion by US and other foreign taxpayers. The Australian and many other foreign Governments (through their tax offices) have an agreement which means we must ask you, and you must answer, these questions. Information we gather is reported to the Australian Taxation Office (ATO) and in turn to global tax authorities. For more information, visit [ato.gov.au](http://ato.gov.au).

If you are unsure of any of the answers, please contact a legal or accounting professional.

## What if more than one person is applying?

Each individual investor will need to complete this form.

Investor Name

### Are you a tax resident of another country or a US citizen?

Yes — you will need to complete a FATCA and CRS form located at [centuria.com.au/investment-bonds/forms](http://centuria.com.au/investment-bonds/forms)

No

### Are you a politically exposed person?

Yes

No

Investor Name

### Are you a tax resident of another country or a US citizen?

Yes — you will need to complete a FATCA and CRS form located at [centuria.com.au/investment-bonds/forms](http://centuria.com.au/investment-bonds/forms)

No

### Are you a politically exposed person?

Yes

No

Investor Name

### Are you a tax resident of another country or a US citizen?

Yes — you will need to complete a FATCA and CRS form located at [centuria.com.au/investment-bonds/forms](http://centuria.com.au/investment-bonds/forms)

No

### Are you a politically exposed person?

Yes

No

Investor Name

### Are you a tax resident of another country or a US citizen?

Yes — you will need to complete a FATCA and CRS form located at [centuria.com.au/investment-bonds/forms](http://centuria.com.au/investment-bonds/forms)

No

### Are you a politically exposed person?

Yes

No

## Politically Exposed Persons

To assist us with complying with AML/CTF laws we require you to disclose whether you (or any of your beneficial owners) are a Politically Exposed Person ('PEP'). A PEP is an individual who holds a prominent public position or function in a government body or an international organisation in Australia or overseas. This definition also extends to their immediate family members and close associates. Examples include a Head of State, Country or Government, a Government Minister, or equivalent senior politician. A PEP also includes immediate family members of a person referred to above, including spouse, de facto partner, child, and a child's spouse or a parent. A close associate of a PEP, i.e. any individual who is known to have joint beneficial ownership of a legal arrangement or entity is also considered to be a PEP. Where you identify as a PEP, we may request additional information from you.

# Privacy Statement and Signatures

## 1. Privacy

By signing this application form you acknowledge that you have read, understood and agree to the collection, use and disclosure of your personal information as set out in the section headed "Privacy Statement" in the PDS or otherwise as required by law. In particular, you agree we may use your personal information to tell you about products or services that might better serve your needs or promotions about any other matters that may be of benefit or interest to you and you also agree your personal information for these purposes may be disclosed to Centuria Life Limited and its related companies, to other organisations, and to relevant service providers (such as the Bond's administrator and mail houses).

If you do not want to receive such information, please tick here. If you do not tick the box, we will assume that you want to be provided with the types of information that have been described.

## 2. Preferred method of communication

By providing your email address, you agree that this email address can be used for all investor correspondence types such as transaction confirmations, statements, reports and other material from Centuria Life Limited.

Alternatively, tick here if you prefer to receive correspondence by Post.

## 3. Declaration and Signatures

- I/We agree to be bound by the Rules of the Fund (set out in Rule A of Centuria Life Limited's Constitution as amended from time to time) and the terms and conditions of the PDS.
- I/We acknowledge that an investment in the Bond: (i) does not represent an investment in Centuria Life Limited or any subsidiary of Centuria Capital Limited; and (ii) is subject to investment and other risks, including possible delays in repayment and the loss of income and capital invested.
- I/We acknowledge that neither Centuria Capital nor any of its subsidiaries (other than Centuria Life Limited which provides a guarantee of the Capital Guaranteed Bond) guarantees the performance of the Centuria Investment Bonds or the return or repayment of capital or income.
- I/We confirm that where the investment has been recommended to me by a financial planner/adviser, that planner/adviser has explained to me the features and risks of the products as detailed in the PDS.
- I/We have personally received the PDS or a complete and unaltered print out of the electronic PDS accompanied by, or attached to, this application form, which I/we have read and understood before applying to invest in the Bond(s).
- I/We consent to my/our information being disclosed between those entities outlined under "Privacy Statement", and to its use for direct marketing (subject to my/our right of opt-out at any time), product management and development and for other reasonable purposes.
- If this application form is signed under a Power of Attorney, then the Attorney certifies that no notice of revocation of that power has been received.
- I/we have instructed Centuria Life Limited to make payments to my/our licensed financial adviser. I/we understand that these payments as detailed on the application form represent a deduction from the value of my investment in the Bond and will be paid by Centuria Life Limited as agent of the recipient named on page 52 of the application form.
- I/We have no reason to suspect that our contribution lodged with this Application or any subsequent contributions is or will be derived from or related to any money laundering, terrorism financing or other illegal activities.

**Please note:** If you have received an electronic copy of the PDS, then Centuria Life Limited will provide you with a paper copy of the PDS, this form, and any supplementary document on request. Applications received from companies must be signed in accordance with their constitution.

## 4. Signatures

All authorised signatories to sign. If any to sign is ticked, this will authorise any signatory to operate the account in the future.

Signature A	Signature B		
Full name	Full name		
<input type="text"/>	<input type="text"/>		
Date	Date		
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		
If a company officer or trustee you must specify your title			
<input type="checkbox"/> Director	<input type="checkbox"/> Sole Director & Company Secretary	<input type="checkbox"/> Director	<input type="checkbox"/> Company Secretary
<input type="checkbox"/> Trustee	<input type="checkbox"/> Other <input type="text"/>	<input type="checkbox"/> Trustee	<input type="checkbox"/> Other <input type="text"/>



# Direct Debit Authority Form

## Centuria Investment Bonds



### Guide to completing this Form.

- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on **1300 50 50 50**.

### Part 1

These details are found on your investment correspondence.

Bond Number – if you are an existing investor

Account Name / Investment Entity

### Part 2 - Bank Details

#### Initial Investment

Account Name

Financial Institution

BSB Number

Account Number

#### Regular Savings Plan

Same as Initial Investment Direct Debit

Account Name

Financial Institution

BSB Number

Account Number

### Part 3 - Declaration and authorisation

The Applicant requests and authorises Centuria Life Limited ABN 79 087 649 054 AFSL 230 867 ("CLL") through its own financial institution and registry provider, for funds to be debited from the nominated account for any amount CLL has deemed payable by the Applicant. The Applicant acknowledges this direct debit arrangement is subject to the terms and conditions of the Direct Debit Request Service Agreement outlined on page 38. By signing and/ or providing CLL with a valid instruction in respect to this Direct Debit Request, the Applicant has understood and agreed to the terms and conditions governing the debit arrangements between the Applicant and CLL as set out in this request and in the Direct Debit Request Service Agreement. The Applicant authorises CLL to act in accordance with the Applicant's instructions and acknowledges that these instructions supersede and have priority over all previous instructions in respect to the Applicant's Investment. All bank account signatories must sign.

All authorised signatories to sign. If any to sign is ticked, this will authorise any signatory to operate the account in the future.

Signature A	Signature B
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Full name

Full name

Date

Date

If a company officer or trustee you must specify your title

Director  Sole Director & Company Secretary  Director  Company Secretary

Trustee  Other

Trustee  Other

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## Customer Identification and Verification Certification

This option is only available to persons acting on behalf of an AFS licensee that has entered into a customer identification management agreement with Centuria Life Limited. Please select another Identity Verification Method if this does not apply. Please contact the Centuria Investor Services on 1300 50 50 50 for further information.

<b>Investor:</b>		[Investor]
<b>Fund name:</b>	Centuria Investment Bonds	[Fund]
<b>Dealer Group</b>		
AFS Licensee Name:		[Licensee]
AFS Licence Number:		
<b>Signatory</b>		
Full name:		[Signatory]
Relationship to the Licensee:	<input type="checkbox"/> Employee <input type="checkbox"/> Director or secretary <input type="checkbox"/> Authorised representative	
Company/Business (if applicable):		
Position:		
AFS authorised representative number (if applicable):		

By signing below and submitting this *Customer Identification and Verification Certification* (Certification) to Centuria Life Limited Limited ABN 79 087 649 054 (CLL), the Signatory covenants, represents or warrants as follows:

- (a) An executed customer identification management agreement (Agreement) is in force between the Licensee and CLL.
- (b) I am duly authorised to complete this Certification for or on behalf of the Licensee and am providing this Certification for the benefit of CLL.
- (c) I have made arrangements for the Investor to apply for units in the Fund within the meaning of item 54 of table 1 of section 6 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF Act).
- (d) I certify the customer identification and verification procedure (ID Procedure) has been undertaken in respect of the Investor in accordance with the Agreement and the AML/CTF Act and its associated rules and regulations (AML/CTF laws).

# Schedule 1 – Adviser Certification

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## Customer Identification and Verification Certification

- (e) The Investor is an “Eligible Investor” under the terms of the Agreement, as –
  - (i) the Investor’s investment or application amount is less than \$500,000
  - (ii) neither the Investor nor any of its beneficial owners are a resident of a jurisdiction other than Australia
  - (iii) neither the Investor nor any of its beneficial owners are a politically exposed person (PEP), and
  - (iv) neither the Investor nor any of its beneficial owners are listed on any commercial PEP list provider or the list of persons or entities believed to be associated with terrorism which is maintained by the Australian Department of Foreign Affairs and Trade.
- (f) I certify the Investor has been assessed as being of low money-laundering and terrorism financing risk in accordance with the anti-money laundering and counter-terrorism financing program of the Licensee.
- (g) I am reasonably satisfied the objective of the AML/CTF laws have been met in respect of the Investor.
- (h) I will provide CLL with any additional documentation, information or records its requests in respect of the Investor in accordance with the Agreement.

By signing below and submitting this Certification, I represent and warrant that all information contained in this Certification is true and correct.

Signed by or on behalf of the Licensee by the Signatory:

Signature

Date

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# Directory

## **Centuria Life Limited**

Level 32, 120 Collins Street  
Melbourne VIC 3000

**Phone:** 1300 50 50 50

**Fax:** 03 9629 3397

**Web:** [www.centuria.com.au/investments-bonds](http://www.centuria.com.au/investments-bonds)

**Email:** [enquiries@centuria.com.au](mailto:enquiries@centuria.com.au)

AFSL No: 230867

## **Auditor**

KPMG

The KPMG Centre

10 Shelley Street

Sydney, NSW, 2000

