

Investment Growth Bond

A flexible tax-effective investment

Simple Guide



simple and quick

Who should invest?

The Investment Growth Bond has been designed for investors:

- seeking a simple, tax effective, longer term investment;
- in a higher marginal tax bracket;
- with incomes near thresholds where Government benefits cut out or higher taxes cut in;
- seeking a longer term investment for children (who usually pay penalty tax rates on investment income); or
- interested in utilising the estate planning and wealth transfer. (You can nominate a beneficiary to receive the proceeds on death – with no tax payable).

Who can invest and what is the minimum amount?

If you are over 16 and under 90 you can invest as little as \$1,000 in the Investment Growth Bond. Children between the ages of 10 and 16 may invest with parental consent. Alternatively, you may invest on behalf of a child under 16 and transfer the ownership of the Bond to the child when they reach an age nominated by you (any time between the ages of 10 and 25). This is known as a child advancement policy.

How do I invest?

To invest in the Investment Growth Bond, call into any Commonwealth Bank branch, contact your financial adviser, or visit comminsure.com.au. If you do not have a financial adviser, you can call us on **13 10 56** between 8:30 am and 6:00 pm, Monday to Friday and we can arrange for an adviser to contact you.

invest and insure

What is the Investment Growth Bond?

The Investment Growth Bond (the Bond) combines the benefits of a managed fund with the security and tax benefits of a life insurance policy.

The Investment Growth Bond is an insurance bond that provides you with a range of investment options, in a simple tax-effective package. You can also take advantage of estate planning features such as the ability to nominate beneficiaries or use the Bond as a savings vehicle for a child's education by setting up a child advancement policy.

The Bond is simple because investment earnings do not have to be declared in your tax return unless you make a withdrawal within the first 10 years. You are free to switch without personal tax consequences between a range of seven investment options, tailored to suit a variety of investment objectives.



flexibility and control

What are the tax advantages of the Bond?

The Bond is considered 'tax effective' because investors on a marginal tax rate greater than 30% may pay less tax on investment earnings than they would if they were invested in a managed fund. The Bond has certain tax advantages that managed funds cannot offer such as:

- The value of the Bond is not subject to Capital Gains Tax;
- You do not need to include any earnings from the Bond in your tax return unless you make a withdrawal within 10 years. Withdrawals are also free of personal income tax in the event of special circumstances such as death, disability, illness, and financial hardship;
- Earnings from the Bond's investments are taxed at a maximum of 30%;
- If you withdraw, you may be able to take advantage of the 30% tax offset which may also be used to reduce your tax on income received from other sources;
- The Bond gives you greater control of the amount and timing of your tax liabilities on investment earnings;
- Switching between investment options while holding the Bond has no personal Capital Gains Tax consequences.



invest with confidence

Investment options

We currently offer seven investment options tailored to suit individual risk profiles. You are free to switch between the investment options as often as you like. You can also diversify your investment by investing in multiple options. More information on investment options can be found in the Product Disclosure Statement (PDS).

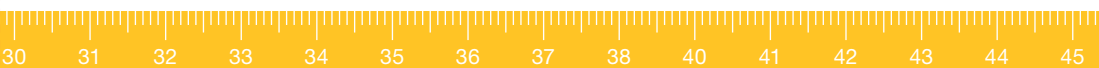
- Capital Guaranteed Cash Fund
- Fixed Interest Fund
- Stable Fund
- Managed Fund
- Property Fund
- Australian Equities Fund
- International Equities Fund

CommInsure

CommInsure is a leader in the Australian financial services industry. Our fresh approach combines innovation and simplicity with competitive products and responsive service. Standard & Poor's, a leading global credit rating agency, has awarded CommInsure an AA- Insurer Financial Strength rating.

Who manages my investment?

Colonial First State Global Asset Management is the fund manager for the Investment Growth Bond. Colonial First State Group is one of Australia's leading wealth management groups, with over \$110 billion in funds under management globally.



Like to know more?

Speak with your adviser
or call us now on

13 10 56

8:30am – 6:00pm Monday – Friday

comminsure.com.au

Comminsure is a registered business name of The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA). Any advice has been prepared without taking into account your objectives, financial situation and needs. Because of that, before acting on the advice, you should consider the appropriateness of the advice having regard to your objectives, financial situation and needs.

CMLA is a wholly owned but non-guaranteed subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945. The Commonwealth Bank of Australia and its subsidiaries (except to the extent expressly stated in the Product Disclosure Statement) do not guarantee or in any way stand behind Investment Growth Bond or the repayment of capital or interest by CMLA. The investments in the Investment Growth Bond are not deposits or other liabilities of the Commonwealth Bank of Australia or its subsidiaries (excluding CMLA). The Investment Growth Bond is issued by CMLA. A Product Disclosure Statement (PDS) describing this product is available from comminsure.com.au. You should consider the PDS in deciding whether to acquire the product. This information is provided by Comminsure.

CIL421-070207

