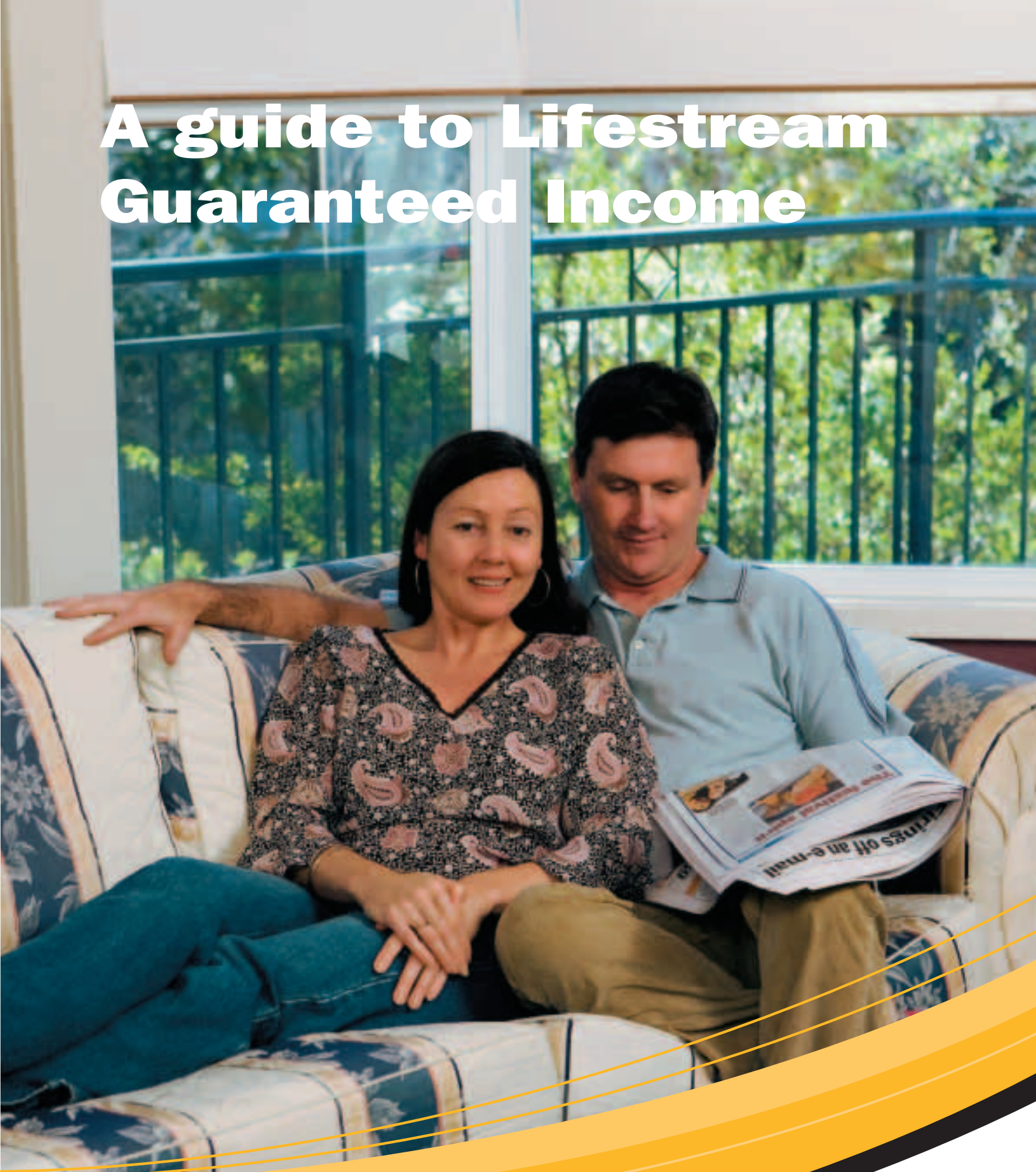


A guide to Lifestream Guaranteed Income



Annuity Provider of
the Year 2004/05



Annuity of the
Year 2005



Best of the Best
Annuity 2005

CommInsure



What is a Lifestream Guaranteed Income?

A Lifestream Guaranteed Income is an investment product that allows you to use a lump sum to provide you with a regular, guaranteed income over a specified term ranging from 1 year to 30 years and even for a lifetime.

What are the main types of annuities?

There are 2 types of Lifestream Guaranteed Income you can invest in:

A Term Annuity

A Term Annuity is payable for a defined period of time. This time period can be as little as 1 year or as long as 30 years. Your income payments can be increased each year, and a portion or all of your initial investment can either be returned as part of your income payments or at the end of the investment. Some term annuities can help maximise your social security benefits.

A Lifetime Annuity

A Lifetime Annuity pays you a set level of income for the remainder of your life. In some cases, it also pays a portion of that income to your spouse after your death. Payments can either be increased each year to match inflation or by a set percentage. Lifetime annuities can provide a high level of income security, and in some cases, can help you maximise your social security benefits.

What are the advantages of Lifestream Guaranteed Income?

Lifestream Guaranteed Income is a flexible product with some unique features compared with other guaranteed investment products. Depending on which type of annuity you choose, you may be able to:

- Choose how much you want to receive back at the end of the fixed term period.
- Receive a concessional tax treatment of up to 15% on payments in certain cases.
- Take advantage of a higher tax free Reasonable Benefits Limit (RBL) when you invest in a lifetime 'complying annuity' with superannuation proceeds.
- Maximise your social security benefits. A complying annuity can be 50% exempt from the assets test from the date of purchase (even if below age pension age).

Why should I buy a Lifestream Guaranteed Income from Commlnsure?

Here are some of the reasons why you may wish to consider a Lifestream Guaranteed Income:

- **Certainty** – you receive a guaranteed level of income regardless of stock market movements.
- **Residual capital** – with certain types of annuities, at the end of your investment term you may choose to receive an amount of capital equal to all or part of your original investment or you could receive some capital with each income payment.
- **Increasing payments** – regular income payments can be indexed each year to keep up with inflation.
- **Choice of payment frequency** – you can receive your income payments monthly, quarterly, half-yearly or annually.
- **Nominated beneficiary** – you can nominate a reversionary beneficiary and/or a beneficiary.
- **Full withdrawal or partial withdrawals** – you can fully withdraw or partially withdraw your investment at any time if you have a short or long fixed term annuity.
- **Regular reports on your investment** – Commlnsure provides you with an Annual Statement showing details of your annuity income each financial year. The annual pack includes a member information guide and a PAYG Payment Summary which will assist you with your annual income tax return.

Can you give me more information about Commlnsure's Lifestream Guaranteed Income?

Lifestream Guaranteed Income allows you to use a lump sum amount (from either personal savings or non-preserved superannuation money) to provide you with a regular, guaranteed income over a specific term. It is similar in some ways to a term deposit, but with more features. It offers:

- Short Term Income investments, for 1 to 5 years
- Long Term Income investments, for 6 to 30 years or your lifetime and
- Complying Income investments, which is similar to Long Term Income but allows you to maximise the amount of your age or service pension.

Why Invest with Commlnsure's Lifestream Guaranteed Income?

Commlnsure provides a wide range of straightforward insurance and investment solutions to meet the needs of individual Australians.

The insurance arm of the Commonwealth Bank Group, Commlnsure, is a leader in the Australian financial services industry. Our fresh approach combines innovation and simplicity with competitive products and responsive service. Although the Commlnsure name was first introduced in 1999, Commlnsure's roots within the Australian insurance industry go back well over 100 years.

Commlnsure offers award-winning annuity investments. The independent research house for Immediate Annuities, Plan for Life, awarded Commlnsure **'Annuity Provider of The Year'** at the Plan for Life – IFA Magazine Awards for 2004/05. Commlnsure also attained a gold award in the Long Term category, plus silver in the Lifetime and Short Term categories in respect of Lifestream Guaranteed Income.

Commlnsure has also been recognised as **'Annuity of The Year'** in 2004 and 2005 by Personal Investor & Asset Magazine's Awards for Excellence in Australian Financial Services. Commlnsure was also awarded Money Magazine's **'Best of the Best Annuity Award'** for 2005.

These awards considered not only Commlnsure's product features and benefits and customer service, but also our financial strength and security, plus our market strengths compared to other providers and industry benchmarks.



Annuity Provider of the Year 2004/2005



Annuity of the Year 2005



Best of the Best Annuity 2005

What else should I know about Commlnsure?

Commlnsure is a leader in the Australian financial services industry and offers a level of security that may be unavailable from other insurers in the market. As at 30 June 2005 Commlnsure had over \$1.6 billion in annuity funds under management and had inflows of over \$300 million per annum.

How big is the Australian lifestream guaranteed income market?

The Australian lifestream guaranteed income market exceeds \$13 billion of funds under management. The product is popular and net inflows have exceeded \$3 billion across the competitive market in recent years.

Source: Plan for Life research annuity statistics June 2005.

Is an annuity a secure investment?

The financial strength of an insurer is naturally an important factor in the decision to buy the right annuity product.

Generally, this is shown through the insurer's credit rating and excess reserves. A stronger rating generally suggests a safer investment. Commlnsure is a registered business name of The Colonial Mutual Life Assurance Society Limited which has a Standard & Poor's very strong AA- credit rating and large excess reserves. By choosing Commlnsure as your annuity provider, our recognised strengths can become yours.



Who is a Lifestream Guaranteed Income suitable for?

Lifestream Guaranteed Income is generally suitable for:

- Personal investors such as individuals, companies and trusts looking for guaranteed income over a specific term.
- Retirees seeking an income stream that maximises social security benefits (complying income).

Lifestream Guaranteed Income – benefits

Short Term Income	Long Term Income	Complying Income
<p>Option 1: Short Term Income</p> <p>Short Term Income offers:</p> <ul style="list-style-type: none"> ■ The security of having your payments and your capital guaranteed. ■ Choice of investing for between 1 and 5 years. ■ Ability to invest with your superannuation savings or personal savings. ■ Ability to choose how much of your original investment you want to receive back at the end of the fixed term period. You can nominate from 0% to 100%. ■ You can withdraw part of your investment at any time (a withdrawal fee will be charged). ■ Choice of receiving your payments monthly, quarterly, half-yearly or yearly. 	<p>Option 2: Long Term Income</p> <p>Long Term Income offers:</p> <ul style="list-style-type: none"> ■ The security of having your payments and your capital guaranteed. ■ Choice of investing for between 6 and 30 years or for your lifetime. ■ Ability to invest with your superannuation savings or personal savings. ■ Ability to have your payments increased each year by a fixed rate of up to 8% or consumer price index (CPI). ■ Ability to choose how much of your original investment you want to receive back at the end of the fixed term period. You can nominate from 0% to 100%. ■ You can withdraw part of your fixed term investment at any time (a withdrawal fee will be charged). ■ Choice of receiving your payments monthly, quarterly, half-yearly, or yearly. ■ Ability to choose a guaranteed payment period of up to your life expectancy for lifetime investments. 	<p>Option 3: Complying Income</p> <p>Complying Income offers:</p> <p>Similar to the Long Term Income Annuity, the Complying Income option is particularly suited to those who are eligible for the age or service pension and wish to maximise the amount of social security they receive.</p> <p>If you choose a fixed term, it must be:</p> <ul style="list-style-type: none"> ■ equal to your life expectancy (rounded up to the nearest whole year) or ■ equal to your life expectancy based upon you being up to 5 years younger (rounded up to the nearest whole year) or ■ equal to the life expectancy of your spouse or your spouse's life expectancy based on him or her being up to 5 years younger (rounded up to the nearest whole year), where the annuity reverts to your surviving spouse on your death and your spouse's life expectancy is greater than yours. <p>The fixed term cannot be greater than 30 years.</p>

Your annuity income payments guide

The tables below provide examples of hypothetical monthly payments and total benefits over the full policy term we might offer to an annuity client who invests \$100,000 with no capital return at the end of the fixed term, with no commission and no increasing payments (indexation).

Please note that the actual payments will differ for each individual situation. See an adviser to discuss your individual needs.

Monthly payments

Term	Yield				
	3%	4%	5%	6%	7%
1 year	\$8,468	\$8,512	\$8,556	\$8,599	\$8,643
2 year	\$4,296	\$4,339	\$4,382	\$4,425	\$4,468
3 year	\$2,906	\$2,949	\$2,992	\$3,035	\$3,078
5 year	\$1,795	\$1,838	\$1,882	\$1,926	\$1,970
10 year	\$964	\$1,009	\$1,055	\$1,102	\$1,150
15 year	\$689	\$736	\$785	\$835	\$887
20 year	\$553	\$602	\$654	\$707	\$762

Total benefits over the term

Term	Yield				
	3%	4%	5%	6%	7%
1 year	\$101,610	\$102,141	\$102,668	\$103,192	\$103,713
2 year	\$103,112	\$104,143	\$105,172	\$106,198	\$107,220
3 year	\$104,628	\$106,172	\$107,716	\$109,260	\$110,804
5 year	\$107,704	\$110,306	\$112,922	\$115,554	\$118,199
10 year	\$115,649	\$121,087	\$126,628	\$132,269	\$138,004
15 year	\$123,955	\$132,500	\$141,304	\$150,353	\$159,633
20 year	\$132,618	\$144,533	\$156,921	\$169,750	\$182,987

What do I need to do to invest in a Lifestream Guaranteed Income Annuity?

Before you decide to invest in a Lifestream Guaranteed Income Annuity, please read the current Product Disclosure Statement (PDS) and then complete the Application form, and obtain a quote from your adviser. This quote will outline the expected payments you will receive. The amount is based on the current rates we offer and includes our administration fees and is usually valid for 7 days.

If you have a financial adviser, please contact them to make an appointment to discuss whether the Lifestream Guaranteed Income product is right for you.

If you do not have a financial adviser, please contact us on **13 10 56**, from 8 am to 8 pm (Sydney time), Monday to Friday, and we will arrange for an adviser to call you to make an appointment.

Lifestream Guaranteed Income – features at a glance

Feature	Short Term Income	Long Term Income	Complying Income
Who can invest?	Individuals, companies, funds, trusts		
Key feature	Guaranteed income with a fixed rate of return for between 1 and 5 years.	Guaranteed income with a fixed rate of return for between 6 and 30 years or your lifetime.	Guaranteed income for a fixed term up to 30 years or your lifetime.
Invest with personal savings or superannuation	Yes		
Can I help minimise the effect on my social security benefits?	No	No	Yes
Can money be returned at the end of the term of the investment?	Yes, 0% to 100%.	Yes, 0% to 100% (fixed term). No, for lifetime investments.	No
Choice of payment frequency	Yes – Monthly – Quarterly – Half-yearly – Yearly		
If investment is with superannuation money, can it qualify for the pension RBL?	No	No	Yes
Is there a way to protect against the impact of inflation?	No	Yes, CPI or fixed rate payment increases of up to 8% per annum are available.	Yes, CPI or fixed rate payment increases of up to 5% per annum are available (term must be 6 years or more).
Full withdrawal	Yes*	Yes*	No, except in limited circumstances within the first 6 months*.
Partial withdrawals	Yes, minimum \$5,000.	Yes, for fixed term investments. No, for lifetime investments.	No
Guaranteed period (lifetime investments only)	Not available	Yes, up to life expectancy.	Yes, up to 20 years or your life expectancy.
Can I have joint ownership?	Yes, where the investment is from personal savings only and the investor is an individual.		
Nominated reversionary beneficiary	Yes		
Nominated beneficiary	Yes	Yes, for fixed term investments. No, for lifetime investments.	No

* If you withdraw your investment early, you may get back less than originally invested, even after taking into account amounts already paid to you. A withdrawal fee will also apply.

Note: This table is a summary only of some of the features of Lifestream Guaranteed Income. It should not be considered a substitute for reading the Product Disclosure Statement.

CommInsure is a registered business name of The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA). A Product Disclosure Statement (PDS) for Lifestream Guaranteed Income issued by CMLA is available from comminsure.com.au and should be considered in making any decision about Lifestream Guaranteed Income.

This 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 subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124. CMLA guarantees all benefits under policies described in the PDS for Lifestream Guaranteed Income.

The Commonwealth Bank of Australia and its subsidiaries (excluding CMLA) do not guarantee or in any way stand behind Lifestream Guaranteed Income, or the repayment of capital or interest by CMLA. Investments in Lifestream Guaranteed Income are not deposits or other liabilities of the Commonwealth Bank of Australia or its subsidiaries (excluding CMLA).

The taxation and social security considerations are general statements only and are based on the continuance of present taxation and social security laws, rulings and their interpretation. Individual circumstances may be quite different. You should consult your tax adviser on tax matters and your adviser, Centrelink or Veterans' Affairs to confirm the social security treatment of your financial investments, retirement income streams and other non-financial assets.

CommInsure does not charge you any additional fees for providing you with any general financial product advice. Employees who provide this service do not receive specific payments or commissions for the giving of the service but do receive salaries. Bonuses and other benefits may also be paid to employees, including advisers employed by the Commonwealth Bank Group who may receive bonuses based around the sales of products.

Speak with your adviser
or call us now on

13 10 56

8am–8pm Mon–Fri
comminsure.com.au

CommInsure



CIL82 011005