

Did you know?



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8 April 2011

Even better rates for annuities

Based on adviser and customer feedback, CommInsure has increased the rates on its Lifestream short term annuities. CommInsure's demand for short term annuities is significantly greater than for long term and lifetime annuities.

Short term annuities are investments that provide guaranteed income with fixed rate of return for one to five years. Individuals can invest with personal savings or superannuation money. The annuity can be held in the name of individuals, companies, funds or trusts.

Benefits of Lifestream short term annuities

- **Security:** Payments are guaranteed at the rate specified at inception, regardless of market movement
- **Certainty:** Known income payments over the agreed term help your client with budgeting
- **Tax advantages:** For investments purchased with superannuation money;
 - regular payments are tax free if your client is retired and aged 60 or over; and
 - a tax offset (rebate) of 15 per cent applies to the assessable portion of the regular payment if your client is aged from 55 to 59
- **No ongoing fees:** Regular payments in your client's quote will take into account any amount paid to the adviser as commission, and the fees and costs associated with administering the investment. However, if your client requests a full or partial withdrawal, additional fees and charges will be incurred
- **Flexibility:** Clients can choose to receive (part or all of) the initial lump sum back at the end of the term. This is called Residual Capital Value (RCV).

Annuities suit anyone wanting a low risk investment with guaranteed income, such as:

- individuals or couples nearing retirement age and wanting a guaranteed regular income stream from their super or other savings
- individuals making a succession plan who want to make specific provisions for beneficiaries
- companies, trusts or funds with capital to invest that want a guaranteed and regular source of investment income.

Risk and investment strategy

Different companies have different risk and investment strategies. CommInsure is aligned to the Commonwealth Bank Group's risk strategy. Our annuities are capital guaranteed so our strategy is to invest in high quality, low risk assets. Here is the asset allocation as of 31 March 2011:

Sector	Percentage allocation
Cash	38.53%
Colonial TCDs	23.97%
Government bonds	3.22%
Semi-government bonds	0.35%
Supranational bonds	9.52%
Corporate bonds	27.24%
Other (swaps, futures, adjustments)	-2.83%

CommInsure's guaranteed annuities rates change weekly. Email us at comminsure.annuities@cba.com.au to subscribe to our weekly annuity rate emails. Annuity quotes can be produced via the CALQ quoting software, which can be accessed through the CommInsure Adviser website, <https://adviser.comminsure.com.au>. If you don't have access to the adviser site, please contact the Adviser Technology Help Desk on 1800 240 405.

Please note that the annuity rates stated on the weekly emails may differ from the CALQ quote due to individual variables, such as the adviser service fee and RCVs.

Fast tracking applications

Advisers can use the e-process application to fast track annuity applications via fax or email. This process information is also included in the weekly annuity rate emails – details as per above.

Useful contacts

Area	Queries	Contact details
Adviser Assist line	For policy alterations, changes to client's details, direct credit payment.	1800 671 040
Business Growth Services (BGS)	The team can assist with product and strategy questions	1800 761 067 or via email at bgs@cba.com.au
Adviser Technical Help Desk	Technical support with our annuity IT systems, including Life400 and CALQ	1800 240 405
Administration team	To follow up any new annuity applications.	1800 423 059
Customer Assistance	For customer queries and assistance	13 1056

Summary

CommInsure has increased its Lifestream short term annuity rates in response to customer and adviser demand. Annuities provide a secure, guaranteed investment to meet a range of client needs.

Important information

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