



## PRODUCT PROFILE

**Trustee** One AR Pty Ltd (a member of One Investment Group)

**Underlying policy issuers** AMP Life, Comminsure/AIA, MLC

**Life Company Policy issuers' Credit Rating** Issuer Rated A by Standard & Poors/AM Best

**Category** Non Super

**Sub Category** Fixed Interest/Alternative

**Index** Compare with 5 & 10 yr Commonwealth Bond rates

**Commenced** Mar-19

**APIR Code** N/A

**Fund Status** Wholesale Investors only- Open

**Manager** Aussie TEP Management Pty Ltd

**Objectives** To out perform the bond rate (expressed in Pre-Tax Top Marginal tax-payer Rates), by 3.5%. The TEPs are Zero Coupon (Growth Only) with Tax Exempt or Tax Paid returns. TEPs carry Capital Guarantees and a A Credit Rating with no fees or charges (other than their annual premiums)

**Tax Paid/Tax Exempt**

Non Super Investors are not taxed annually on the growth (bonuses) of the Investment. Investors in 5 year policies are exempted from CGT and taxed on the gain but given a 30% tax credit. Investors in 10yr policies are 100% tax exempt on all gains.

**Strategy** The Aussie TEP Fund expects to outperform its counterparts as the Life Co. assets backing the returns are a Balanced Fund. These assets drive the Fixed Interest Return as well as a subsidy left in the policy from the original owner.

**Fees/Discounts**

|                       |  |
|-----------------------|--|
| <i>Entry</i>          | Nil  |
| <i>Additions</i>      | Nil  |
| <i>Exit Discount</i>  | 1.95%-0.00% over 0-2 years as a unitholder |
| <i>Switching</i>      | N/A  |
| <i>Reinvest</i>       | Nil  |
| <i>Manager</i>        | 0.8%pa paid monthly                        |
| <i>Administration</i> | Monthly fee                                |
| <i>Trustee</i>        | Monthly fee                                |

**Capital Guarantees** The underlying TEPs come with significant Capital Guarantees (90-110% of their purchase price). The Sum Insured and Annual Bonuses of a TEP are guaranteed. The Terminal Bonus paid on the last day of the policy is not guaranteed

**Indicative yields (Top Marginal Tax Rates) before fees**

|  | Durations    |              |
|--|--------------|--------------|
|  | 5yr          | 10yr         |
| <b>Total Income Growth</b>               | 5.87%<br>NIL | 7.55%<br>NIL |
| <b>Index (Commonwealth Bond) 17-8-21</b> | 0.58%        | 1.15%        |

**Investment Amounts** **Wholesale/Professional Investors Only**

**Minimum Total Investment** \$50,000

**Minimum Account Balance** \$50,000

**Minimum Reg Contributions** Nil

**Distribution Reinvestment Option?** Yes

**Redemptions** End of Sept, Dec, Mar, June

**Appliaction for Units Payee** One AR Pty Ltd

**Brokerage** N/A

**Ongoing** N/A

**Unit Price**

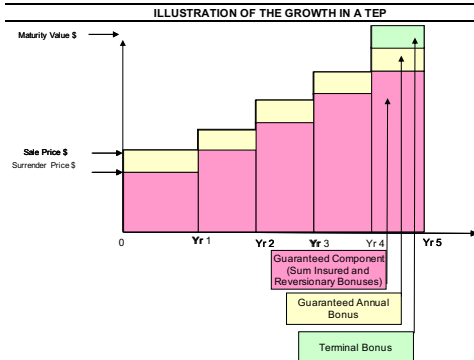
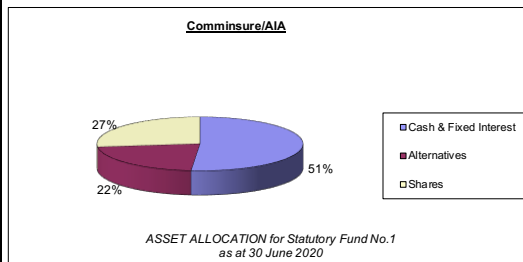
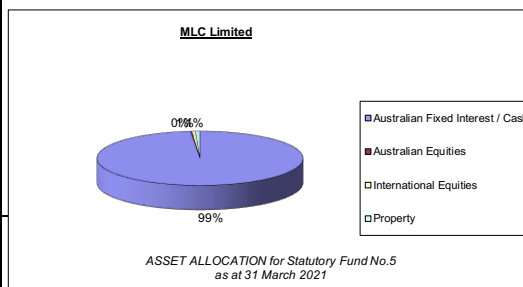
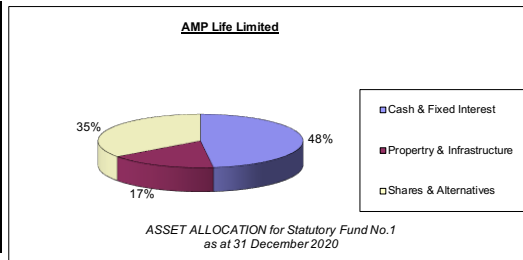
**Exit Price (for valuations)** Monthly

**Income Distributions** In years when TEPs mature

**Fund Size** **Target \$20m (initial raise), no Maximum**

**TEP Product Size (Est)** AMP \$8bn, MLC \$1.5bn, Comminsure \$1.6bn

**Pool Size** \$13bn



**Disclaimer**

This publication has been prepared by Aussie TEP Management Pty Ltd for personal use only. We believe that the information contained herein is accurate. However, the material in this paper, including assumptions and conclusions are not intended to be a comprehensive statement of relevant practice or law which is often complex and can change. Anyone relying on this material must seek professional advice that is appropriate to their own circumstances, needs and objectives. Aussie TEP Management