

Now Available on
Netwealth!



12 months to September 2023

4.08% return

(Growth in Unit Price)

(5.64% for 12 months to September 2022)

(See over for historical returns)

The Fund Liquid ratio is 98.10%

This means the fund could liquidate within several weeks for 98.10% of Net Assets! *

** Calculation is (Surrender Values + Cash reserves) / Net Assets*

The Aussie TEP Fund returns are expected to carry at least 30% tax credits and/or tax exemptions when the underlying TEPs start to mature from 2025.*

After Tax Distributions are expected to be paid quarterly from that date.

(* Refer tax rulings on our web site)

Had the above 4.08 % pa return resulted from maturing TEPs during this period, then the theoretical comparable return, (i.e. "Grossed Up" return), that would need to be earned by a relevant taxpayer would be as set out below for each specific tax-payer

Individual Investor*

(* Top marginal tax rate)

7.05% pa

Company Investor*

(* 30% tax rate)

5.82% pa

Superfund Investor*

(* 15% tax rate)

4.80% pa



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September Update

MONTHLY PERFORMANCE UPDATE 2023

The Outlook Group Pty Ltd has sourced old life policies and managed the investment into these assets, on an exclusive basis, in the Australian market for over 20 years.

These secondhand life policies carry components of which are Capital Guarantees and are referred to as **Traded Endowment Policies** or **TEPs**.

The Aussie TEP Fund offers investors access to invest into this unique asset class via a wholesale managed investment scheme.

Key Features of the Asset Class

- *The fund is now available to wholesale investors on the Netwealth Investment platform*
- The fund aims to deliver returns of 350 bps over the 5/10-year Commonwealth Bond rate, (measured on a Pre-Tax basis- Top Marginal Tax Rate taxpayers).
- The fund offers quarterly redemptions.
- The TEP assets offer rising values regulated by the Commonwealth Life Act 1995.
- The Aussie TEP Fund has unique ATO Tax Rulings offering Insurance Bond tax outcomes in a managed fund.

September Performance¹

Ordinary Units Net Return - 1 month	0.85%
Ordinary Units Net Return - 3 months	0.09%
Ordinary units Net Returns - 12 months	4.08%
Ordinary units Net Returns - Since Inception (8/2019)	9.87%
Annual Return (pa) - Since Inception	2.33%

Manager's Comments

- Increases in Surrender Values show the fund has a liquid ratio of 98.1%.
- Netwealth's following products can now be used to access The Aussie TEP Fund
 - Investment Wrap & Accelerator Wrap
- Our first 10-year tax exempt gains on TEPs will occur in the 2029 year,(refer our tax rulings).
- Don't wait for 10 years in an insurance bond for tax exempt gains when The Aussie TEP Fund is expected to start producing these exempt gains in less than 5 years for new investors!
- Many TEPs are expected to start maturing in the 2025 accounting year providing tax effective quarterly cashflows to investors

Investment Strategy & Objective

To invest in a portfolio of Traded Endowment Policies (TEPs), that deliver capital returns to Investors over the medium term. Target returns for TEPs are 350 basis points or higher than 5/10-year Commonwealth Bond rates measured on a Pre-Tax basis - Top Marginal Taxpayers.

Key Fund Information

Target Pre Tax Return (4/9/23) ²	7.45% p.a.
Distributions ³	Quarterly
Liquidity	Quarterly
Ordinary Unit Price	\$1.0987

NOTES:

1. All performance and returns figures are for ordinary units after fund costs.
2. Target is average of 5/10 Commonwealth bond rate +350bps – Top Marginal tax rate payer.
3. Subject to TEP maturities and liquidity