

## FREQUENTLY ASKED QUESTIONS

### What are the fees and charges?

No fees are deducted directly from your Funeral Bond, rather KeyInvest is paid a monthly management fee (currently 1.70% p.a.) out of the earnings of the Funeral Bond Fund to cover the cost of administering the Fund. Your annual bonus is after annual management fees have been deducted.

### Are there any government charges?

Stamp duty may apply to your initial contribution. The rate of stamp duty payable varies between states and territories, and if payable, will be deducted from your initial contribution.

### Is there a maximum I can invest?

No, but the investment should not exceed your anticipated funeral costs. Your contributions should not exceed the exempt amount (indexed annually) to be treated as an exempt asset from Centrelink's Income and Assets tests.

### How is the money invested?

KeyInvest invests the money with reputable, experienced fund managers. The funds are invested in a way to match the profile of a conservative investor.

### Can I withdraw my money?

No. Proceeds are only paid on the death of the Funeral Bond holder. If the Funeral investment is in joint names you must decide within 14 business days whether to pay the full proceeds towards the deceased member's funeral or leave the entire investment to benefit the surviving member.

### Do I have to declare the bonus in my tax return?

The funeral investment is what is called a "tax paid" investment which means that while the investment is open you do not have to declare any bonuses in a personal tax return. See the Disclosure Statement (DS) for more information.

### How do I invest?

Simply obtain an application form from KeyInvest or download from our website. Initial contributions can be made by cheque, direct debit, Electronic Funds Transfer or BPAY.



## ABOUT KEYINVEST

KeyInvest was founded in 1878 as the Independent Order of Odd Fellows South Australia (IOOFSA), a member based (mutual) organisation. KeyInvest has a long and proud history of caring for the welfare of our customers and Members.

KeyInvest provides financial, retirement and lending services to our customers to help them achieve their financial and retirement goals, with a focus on "life's key investments". KeyInvest is a licensed friendly society regulated by the Australian Prudential Regulation Authority (APRA).

### The Next Step

If you would like more information or wish to invest in a KeyInvest Funeral Bond, contact your financial adviser or to obtain a copy of the Disclosure Statement (DS), visit [www.keyinvest.com.au](http://www.keyinvest.com.au) or call us on **1300 658 904**.



**1300 658 904**

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# KEYINVEST FUNERAL BOND

- Peace of mind
- Capital guaranteed
- Potential pension benefits

## WHAT IS A KEYINVEST FUNERAL BOND

The KeyInvest Funeral Bond is a capital guaranteed tax paid investment, designed to help those left behind meet funeral expenses. Benefits are paid quickly without the need to wait for Grant of Probate, allowing loved ones to make timely arrangements to pay tribute to your memory. With funerals easily costing thousands of dollars, a KeyInvest Funeral Bond can help ease the burden on loved ones by removing the worry and stress of paying for funeral expenses during their time of grief.

## FUNERAL BOND FEATURES/BENEFITS

- A capital guarantee covers your investment as well as any contributions and annual bonuses once allocated.
- Investments of up to \$13,000 (exempt amount) indexed annually, will generally be treated as an asset exempt from Centrelink's Income and Assets Test.
- No health or age restrictions apply.
- Minimum contribution of just \$100.
- No contribution restrictions apply, but your investment should not exceed your anticipated funeral costs.
- Individual or joint ownership is permitted, however individual ownership usually results in preferential outcomes.
- A 30 day cooling off period applies.
- A regular contribution plan is available.
- A tax benefit may be payable when you make a claim

[see the Disclosure Statement for more information on the key features and benefits.]

## PENSION BENEFITS

The amount of age pension received is based on two separate tests, the asset test and income test. The test that results in the lower age pension amount is the one that is applied.

The KeyInvest Funeral Bond is an exempt asset and is not included in these two tests therefore a contribution into the KeyInvest Funeral Bond, up to the exempt asset limit, will reduce the assessable assets and income and can result in extra Age Pension.

### Case study

Because of the level of Shirley's assets she receives a part age pension of \$14,200 per annum.

Investing \$12,500 into a KeyInvest Funeral Bond has the following outcome:

Current age pension	\$14,200 p.a.
New age pension (after investing in a Funeral Bond)	\$15,195 p.a.
Extra age pension	\$994.50 p.a.

Shirley receives an additional \$994.50 per annum in age pension. This amount of extra age pension is a 7.8% per annum return on the \$13,000 Funeral Bond contribution before any Funeral Bond annual bonus is added.

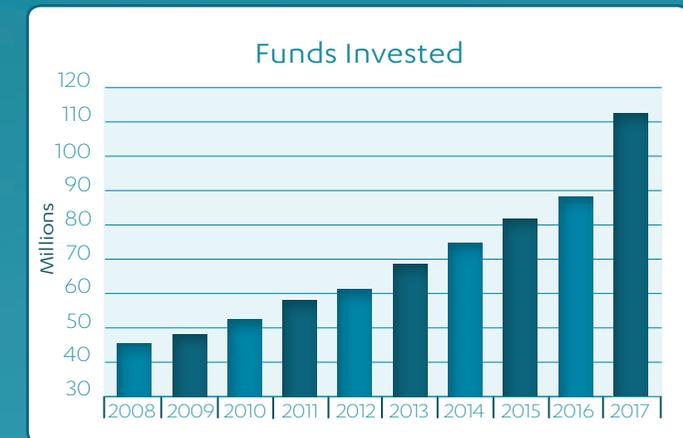
## INVESTMENT INFORMATION

### Investment objective

The investment objective is to deliver competitive returns on your Funeral Bond in the medium to long-term and to guarantee security of your capital and bonuses once allocated.

### Strong growth

The KeyInvest Funeral Bond has been well supported since inception. As at 31 May 2017 the KeyInvest Funeral Bond has over \$111 million invested.



\*All figures are as at 30 June except 2017 which is 31 May.

## PAYMENT OF BENEFITS

The Funeral Bond benefits are paid upon the death of the KeyInvest Funeral Bond holder. Once a claim is made and approved, payment is made to either the funeral director or the estate, usually within 7 days of a completed Claim Form being received.

To make a claim KeyInvest requires a completed Claim Form together with satisfactory evidence of death and a copy of the funeral director's invoice.

When making a claim the executor, next of kin or personal legal representative should contact KeyInvest to confirm the current claim requirements.

**Note:** Withdrawal of funds prior to death cannot be made.