

# AGE AND INCOME BASED CLIENT STRATEGIES

## TYPICAL ADVICE NEEDS

Age 20 – 40	Age 40 – 50	Age 50 – 65	Age 65+
<ul style="list-style-type: none"> <li>• Cash flow management</li> <li>• First home</li> <li>• Getting married</li> <li>• Debt management</li> <li>• Savings, business and career planning</li> <li>• Longer term investment strategies - super, etc.</li> <li>• Having children</li> <li>• Saving for children's expenses - secondary and/or tertiary education</li> <li>• Risk Management planning "Protection"</li> <li>• Family healthcare</li> <li>• Lifestyle - family oriented</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow management</li> <li>• Debt management</li> <li>• Investment</li> <li>• Risk Management planning "Protection"</li> <li>• Tax management</li> <li>• Inheritance issues</li> <li>• Estate Planning</li> <li>• Retirement Planning</li> <li>• Healthcare</li> <li>• Long term care planning – parents and self</li> <li>• Lifestyle – family enjoyment and reward</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow management</li> <li>• Debt elimination</li> <li>• Asset protection</li> <li>• Risk Management planning "Protection"</li> <li>• Tax management</li> <li>• Transition to retirement</li> <li>• Comprehensive Wealth planning</li> <li>• Inheritance issues</li> <li>• Estate planning</li> <li>• Financial assistance to family</li> <li>• Business sale/career exit strategy</li> <li>• Healthcare</li> <li>• Long term care planning – parents and self</li> <li>• Lifestyle – family enjoyment and reward</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow management</li> <li>• Asset protection</li> <li>• Risk Management planning "Protection"</li> <li>• Tax management</li> <li>• Transition to retirement actions</li> <li>• Inheritance issues</li> <li>• Estate planning</li> <li>• Financial assistance and gifting to family</li> <li>• Philanthropy</li> <li>• Healthcare</li> <li>• Long term care planning – self</li> <li>• Lifestyle - reward and giving</li> <li>• Aged care planning</li> <li>• Business sale/succession</li> <li>• Career exit</li> </ul>

## STRATEGIES

	Age 20 – 40	Age 40 – 50	Age 50 – 65	Age 65+
ALL	<p><b>Cash flow management</b></p> <ul style="list-style-type: none"> <li>• Budgeting and saving</li> </ul> <p>• Debt retirement</p> <p><b>Superannuation</b> <u>Refer to COPS 6.9 Investment &amp; Super Advice</u></p> <ul style="list-style-type: none"> <li>• Determine what type of super fund to use</li> <li>• Establish 1 sustainable superannuation fund ensuring consideration is given to preserving funds whereby insurance cannot be transferred or via EBA requirements</li> <li>• Establish death benefit nominations</li> <li>• Personal deductible contributions</li> <li>• Transfer of Overseas pension funds</li> </ul> <p><b>Investment</b> <u>Refer to Investment Advice Procedure &amp; Affinia Risk Profiles</u></p> <ul style="list-style-type: none"> <li>• Consolidate non-deductible debts</li> <li>• Establish a regular savings plan in line with the cash flow management strategy</li> </ul> <p><b>Insurance</b> <u>Refer to Insurance Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Determine whether insurance policies should be purchased inside super</li> <li>• Establish income protection insurance</li> <li>• Establish business insurance needs</li> <li>• Establish life insurance needs</li> <li>• Establish TPD and trauma insurance needs</li> <li>• Child trauma</li> <li>• Claims Assistance</li> </ul> <p><b>Estate Planning</b> <u>Refer to Estate Planning Procedure</u></p> <ul style="list-style-type: none"> <li>• Establish testamentary trust provisions</li> <li>• Update Will and establish enduring powers of attorney</li> </ul> <p><b>Gearing</b> <u>Refer to Gearing Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Implement a positive gearing strategy</li> <li>• Repay non-deductible debt</li> </ul>		<p><b>Superannuation</b> <u>Refer to COPS 6.9 Investment &amp; Super Advice &amp; SMSF Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Commence a transition to retirement pension, upon reaching preservation age</li> <li>• Commence a super splitting strategy</li> <li>• Complete a re-contribution strategy within contribution caps</li> <li>• Determine what type of super fund to use</li> <li>• Establish an SMSF</li> <li>• Transfer of UK pension funds</li> <li>• Utilise government co-contribution</li> <li>• Establish death benefit nominations</li> <li>• In-specie contribution to super</li> <li>• Non-concessional contribution</li> <li>• Personal deductible contribution</li> <li>• Sell down investment assets and contribute to super</li> </ul> <p><b>Investment</b> <u>Refer to Investment Advice Procedure &amp; Affinia Risk Profiles</u></p> <ul style="list-style-type: none"> <li>• Consolidate non-deductible debts</li> <li>• Establish a dividend reinvestment scheme</li> <li>• Invest an Employment Termination Payment</li> <li>• Regular savings plan</li> <li>• Repay non-deductible debt</li> <li>• Utilise existing capital to assist with annual cash flow requirements</li> </ul> <p><b>Insurance</b> <u>Refer to Insurance Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Establish income protection insurance</li> <li>• Establish business insurance needs</li> <li>• Child trauma</li> <li>• Debt reduction cover</li> <li>• Claims Assistance</li> </ul> <p><b>Estate Planning</b> <u>Refer to Estate Planning Procedure</u></p> <ul style="list-style-type: none"> <li>• Complete a business will/succession plan and establish buy/sell contract</li> <li>• Establish testamentary trust provisions</li> <li>• Update Will and establish enduring powers of attorney</li> </ul> <p><b>Tax</b> <u>ATO website</u></p> <ul style="list-style-type: none"> <li>• Salary packaging</li> <li>• Utilise the small business CGT concessions</li> </ul> <p><b>Gearing</b> <u>Refer to Gearing Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Implement a positive gearing strategy</li> </ul>	<p><b>Superannuation</b> <u>Refer to COPS 6.9 Investment &amp; Super Advice &amp; SMSF Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Commence an account based super pension</li> <li>• Establish a super pension reversionary election</li> <li>• Establish death benefit nominations</li> <li>• Review existing complying income stream</li> <li>• Retirement income modelling</li> </ul> <p><b>Investment</b> <u>Refer to Investment Advice Procedure &amp; Affinia Risk Profiles</u></p> <ul style="list-style-type: none"> <li>• Commence a regular drawdown from investments</li> <li>• Utilise proceeds from downsizing home</li> <li>• Rationalise / review property portfolio</li> <li>• Cash flow management</li> </ul> <p><b>Estate Planning</b> <u>Refer to Estate Planning Procedure</u></p> <ul style="list-style-type: none"> <li>• Establish testamentary trust provisions</li> <li>• Update Will and establish enduring powers of attorney</li> </ul> <p><b>Tax</b> <u>ATO website</u></p> <ul style="list-style-type: none"> <li>• Commence distributing family trust assets</li> <li>• Utilise small business capital gains tax concessions</li> <li>• Pay out dividends from private investment company</li> </ul> <p><b>Aged Care</b> <u>Refer to Aged Care Instructions and Strategy Text</u></p> <ul style="list-style-type: none"> <li>• Review home and residential care strategies</li> </ul> <p><b>Insurance</b> <u>Refer to Insurance Advice Procedure</u></p> <ul style="list-style-type: none"> <li>• Claims Assistance</li> </ul>

**STRATEGIES**

	Age 20 – 40	Age 40 – 50	Age 50 – 65	Age 65+
<b>Specific to Income &lt;\$40K pa</b>	<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>Utilise the Government co-contribution</li> </ul> <p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Claim for paid parental leave scheme <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/parenting-payment">https://www.humanservices.gov.au/customer/services/centrelink/parenting-payment</a></li> </ul> </li> <li>Maximise childcare entitlements <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/child-care-benefit">https://www.humanservices.gov.au/customer/services/centrelink/child-care-benefit</a></li> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/child-care-rebate">https://www.humanservices.gov.au/customer/services/centrelink/child-care-rebate</a></li> </ul> </li> <li>Maximise Family Tax Benefit Parts A and B entitlement</li> <li>Apply for low income health care card <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/low-income-health-care-card">https://www.humanservices.gov.au/customer/services/centrelink/low-income-health-care-card</a></li> </ul> </li> <li>Maximise Newstart entitlement</li> </ul>		<p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Apply for Newstart entitlement <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/newstart-allowance">https://www.humanservices.gov.au/customer/services/centrelink/newstart-allowance</a></li> </ul> </li> <li>Apply for the low income Health Card</li> <li>Maximise Family Tax Benefit <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/family-tax-benefit">https://www.humanservices.gov.au/customer/services/centrelink/family-tax-benefit</a></li> </ul> </li> <li>Part A and B entitlement</li> </ul>	<p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Apply for the Commonwealth Seniors Health Card <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/commonwealth-seniors-health-card">https://www.humanservices.gov.au/customer/services/centrelink/commonwealth-seniors-health-card</a></li> </ul> </li> <li>Commence gifting strategy in line with social security limits</li> <li>Apply for the age pension <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/age-pension">https://www.humanservices.gov.au/customer/services/centrelink/age-pension</a></li> </ul> </li> </ul>
<b>Income \$40 - \$180K pa</b>	<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>Salary sacrifice to super</li> <li>Split contributions with spouse</li> <li>Utilise gearing within a super fund</li> <li>Utilise the Government co-contribution</li> <li>Establish an SMSF</li> <li>SMSF Business real property</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>Establish a family trust</li> <li>Establish an investment for a minor (ie Education Bond)</li> </ul> <p><b>Estate Planning</b></p> <ul style="list-style-type: none"> <li>Establish guardianship documents for minor children</li> <li>Complete a business succession plan and establish buy/sell contract</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Establish salary packaging arrangements</li> <li>Invest via an insurance bond</li> <li>Utilise the small business CGT concessions</li> </ul> <p><b>Gearing</b></p> <ul style="list-style-type: none"> <li>Consider a margin lending strategy</li> <li>Implement a negative gearing strategy</li> <li>Utilise a home equity loan</li> <li>Utilise the Wealth Builder loan back facility</li> </ul> <p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Claim for paid parental leave scheme</li> <li>Maximise childcare entitlements</li> <li>Maximise Family Tax Benefit Parts A and B entitlement <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/family-tax-benefit">https://www.humanservices.gov.au/customer/services/centrelink/family-tax-benefit</a></li> </ul> </li> <li>Apply for Newstart entitlement <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/newstart-allowance">https://www.humanservices.gov.au/customer/services/centrelink/newstart-allowance</a></li> </ul> </li> </ul>		<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>SMSF business real property</li> <li>Review SMSF investment and insurance strategy</li> <li>Salary sacrifice to super</li> <li>Utilise gearing within a super fund</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Invest via an insurance bond</li> </ul> <p><b>Gearing</b></p> <ul style="list-style-type: none"> <li>Utilise a home equity loan</li> <li>Utilise the Wealth Builder loan back facility</li> <li>Regular Gearing</li> </ul> <p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Apply for Newstart entitlement</li> <li>Maximise Family Tax Benefit Part A and B entitlement</li> </ul>	<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>Consider SMSF windup</li> <li>Consider SMSF illiquid assets (ie realise CGT assets in tax free environment)</li> <li>Consider SMSF exit strategy</li> <li>Account based pensions</li> <li>Annuity strategy</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>Commence a regular saving plan for the grandchildren</li> <li>Establish a dividend reinvestment scheme</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Invest via an insurance bond</li> </ul> <p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Apply for the Commonwealth Seniors Health Card <ul style="list-style-type: none"> <li><a href="https://www.humanservices.gov.au/customer/services/centrelink/health-care-card">https://www.humanservices.gov.au/customer/services/centrelink/health-care-card</a></li> <li><a href="https://www.seniorsonline.vic.gov.au/seniors-card/manage-your-card/apply-for-a-card">https://www.seniorsonline.vic.gov.au/seniors-card/manage-your-card/apply-for-a-card</a></li> <li><a href="https://www.service.nsw.gov.au/transaction/apply-nsw-seniors-card">https://www.service.nsw.gov.au/transaction/apply-nsw-seniors-card</a></li> <li><a href="https://www.qld.gov.au/seniors/legal-finance-concessions/applying-seniors-card/">https://www.qld.gov.au/seniors/legal-finance-concessions/applying-seniors-card/</a></li> <li><a href="https://www.sa.gov.au/topics/family-and-community/seniors-card/apply-for-a-seniors-card">https://www.sa.gov.au/topics/family-and-community/seniors-card/apply-for-a-seniors-card</a></li> <li><a href="https://www.seniorscard.wa.gov.au/eligibility/">https://www.seniorscard.wa.gov.au/eligibility/</a></li> </ul> </li> <li>Commence gifting strategy in line with social security limits</li> <li>Apply for the age pension</li> </ul>
<b>Specific to Income \$180K+</b>	<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>Salary sacrifice to super</li> <li>Split contributions with spouse</li> <li>Utilise gearing within a super fund</li> <li>Establish an SMSF</li> <li>SMSF Business real property</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>Establish an investment for a minor (ie Education Bond)</li> </ul> <p><b>Estate Planning</b></p> <ul style="list-style-type: none"> <li>Establish guardianship documents for minor children</li> <li>Complete a business succession plan and establish buy/sell contract</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Establish salary packaging arrangements</li> <li>Invest via an insurance bond</li> <li>Establish salary packaging arrangements</li> <li>Utilise the small business CGT concessions</li> </ul> <p><b>Gearing</b></p> <ul style="list-style-type: none"> <li>Commence a margin lending strategy</li> <li>Implement a negative gearing strategy</li> <li>Utilise a home equity loan</li> <li>Utilise the Wealth Builder loan back facility</li> </ul> <p><b>Government support/social security</b></p> <ul style="list-style-type: none"> <li>Claim for paid parental leave scheme</li> <li>Maximise childcare entitlements</li> <li>Maximise Family Tax Benefit Parts A and B entitlement</li> </ul>		<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>SMSF business real property</li> <li>SMSF review investment and insurance strategy</li> <li>Salary sacrifice to super</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Establish a family trust</li> <li>Establish an investment company</li> <li>Invest via an insurance bond</li> </ul> <p><b>Gearing</b></p> <ul style="list-style-type: none"> <li>Utilise a home equity loan</li> <li>Utilise the Wealth Builder loan back facility</li> </ul>	<p><b>Superannuation</b></p> <ul style="list-style-type: none"> <li>Consider SMSF windup</li> <li>Consider illiquid assets</li> <li>Consider new member(s) and voting rights</li> <li>Account based pensions</li> <li>Annuity strategy</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>Commence a regular saving plan for the grandchildren</li> <li>Establish a dividend reinvestment scheme</li> </ul> <p><b>Tax</b></p> <ul style="list-style-type: none"> <li>Invest via an insurance bond</li> </ul>