



Get guaranteed regular income for a fixed investment term that you choose

Challenger Guaranteed Annuity (Fixed term)

Earn a competitive rate on your savings from a low risk investment

A Challenger term annuity is a secure investment that provides a guaranteed regular income for a fixed term you choose. When you're relying on your retirement savings to provide you with cash flow, having reliable and regular income payments can make all the difference.

Benefits at a glance

Earn a competitive rate for a term you choose



The rate for a Challenger term annuity is fixed when you invest, giving you confidence of knowing the return you get.

Enjoy more certainty with guaranteed and regular payments



With a Challenger term annuity, there are no surprises. Enjoy the certainty that your income won't be impacted by the performance of share markets.

Enjoy the peace of mind of guaranteed income



When you invest with Challenger, you can rest easy knowing that your regular payments and the repayment of your investment amount is guaranteed over the term.

How does it work?

A Challenger term annuity provides you with regular income payments for a term you choose. You invest a lump sum, which is repaid to you at the end of the term or during the term as part of your regular payments, if that's what you choose.

1. Invest for a term that suits you

Choose from a term of one year up to 50 years¹, with a minimum investment of \$10,000. If you are using your super money to invest, your regular payments are tax-free if you are age 60 and over.

2. Choose how often you receive payments

Match the frequency of your payments to suit your income needs. You decide whether to receive your payments monthly, quarterly, half-yearly or yearly.

3. Have your investment amount repaid when it suits you

Choose to receive some (or all) of your original investment amount returned as part of your regular payments, or at the end of the fixed term. Either way if held until the end of the term, you'll get 100% of your investment back.

¹ If you use your super to invest and ask for all of your initial investment to be repaid as part of your regular payments, super rules restrict the maximum term you can select – it cannot be greater than the number of whole years until you turn age 100.

Flexibility and features that give you greater control of your investment

With a Challenger term annuity, you can:

- **Enjoy tax-free income for the full term if you invest with super**

By using your super money to invest in a Challenger term annuity, your regular payments are tax-free if you are age 60 and over. If you invest with non-super money your regular payments may be subject to tax².

- **Keep control over your estate planning**

With a Challenger term annuity, you can nominate one or more beneficiaries³ to receive the remaining benefits of your investment if you die during the investment term. If you invested jointly, regular payments will continue to be paid to the surviving owner.

- **Protect the value of your investment from inflation**

You can have your regular payments increased annually in line with inflation, or by a fixed whole percentage rate (of up to 5%⁴).

- **Access your money early, if you need to**

If your circumstances change, you can access a lump sum amount. Bear in mind that a Challenger term annuity is designed to be held until the end of the term, so there may be a penalty if you decide to withdraw early.

How Challenger guarantees payments

Challenger annuities are guaranteed by Challenger Life. Challenger Life is a life company regulated by the Australian Prudential Regulation Authority (APRA), which requires us to hold a minimum amount of capital, to ensure that we can meet the payment promises we have made to our annuity customers.

When you buy an annuity, your money is placed into a secure fund, along with money received from other annuity investors. Challenger also contributes money into this fund, which is known as the statutory fund. All regular payments to our annuity investors are made from the statutory fund. If our investments don't generate enough returns to cover these payments, we must use our own money to make up the difference. This is to ensure that we can meet our payment promises to you now and into the future.

About Challenger

Challenger Life is Australia's largest annuities provider and a life company registered under the Life Insurance Act 1995.

We specialise in providing customers with financial security for retirement. We provide reliable, guaranteed income payments to thousands of customers and have \$19 billion in assets⁵.

For more information:



Visit challenger.com.au



Talk to your financial adviser



Call the Challenger Investor Services team on **13 35 66**

2 Please refer to the Challenger Guaranteed Annuity (Fixed term) PDS for more information.

3 Beneficiary nomination rules differ based on whether you invest with your super or non-super money. Full details are available in the PDS.

4 You can only choose to have your regular payments increased annually in line with increases in the CPI, or by a fixed whole percentage rate (of up to 5%) if you have chosen a term of at least two years and have also chosen to have all your capital returned to you as part of your regular payments (RCV0).

5 As at 31 March 2020.

The information contained in this publication is current as at 27 May 2020 unless otherwise specified and is provided by Challenger Life Company Limited ABN 44 072 486 938 AFSL 234670 (Challenger Life), the issuer of the Challenger Guaranteed Annuity and Challenger Guaranteed Annuity (Complying). Please note that some of the features listed in this flyer don't apply to the Challenger Guaranteed Annuity (Complying). See the product disclosure statement (PDS) for more detail. The information in this publication should be regarded as general information only rather than advice. It has been prepared without taking account of any person's objectives, financial situation or needs. Because of that, each person should, before acting on any such information, consider its appropriateness, having regard to their objectives, financial situation and needs. Each person should obtain a product disclosure statement (PDS) relating to the Challenger Guaranteed Annuity or the Challenger Guaranteed Annuity (Complying), as applicable and consider the information in that PDS before making any decision about the product. A copy of the relevant PDS can be obtained from your financial adviser, our Investor Services team on 13 35 66, or at challenger.com.au. We and our employees do not receive any specific remuneration for any advice provided to you. However, financial advisers may receive fees if they provide advice to you or arrange for you to invest with us. Some or all of Challenger group companies and their directors may benefit from fees and other benefits received by another group company. The references to guaranteed regular payments in this publication are references to the contractual obligations of Challenger Life under the terms of the applicable annuity to make these payments. Neither the Challenger Group nor any company within the Challenger group guarantees the performance of Challenger Life's obligations or assumes any obligations in respect of annuities issued by Challenger Life. Challenger Life is not licensed or authorised to provide tax or social security advice. We strongly recommend that you seek professional taxation and social security advice for your individual circumstances.