

Lifetime Annuity (Liquid Lifetime)

Liquid Lifetime (Immediate payments) option

Get guaranteed income payments for as long as you live, helping to give peace of mind in retirement



What is a lifetime annuity?

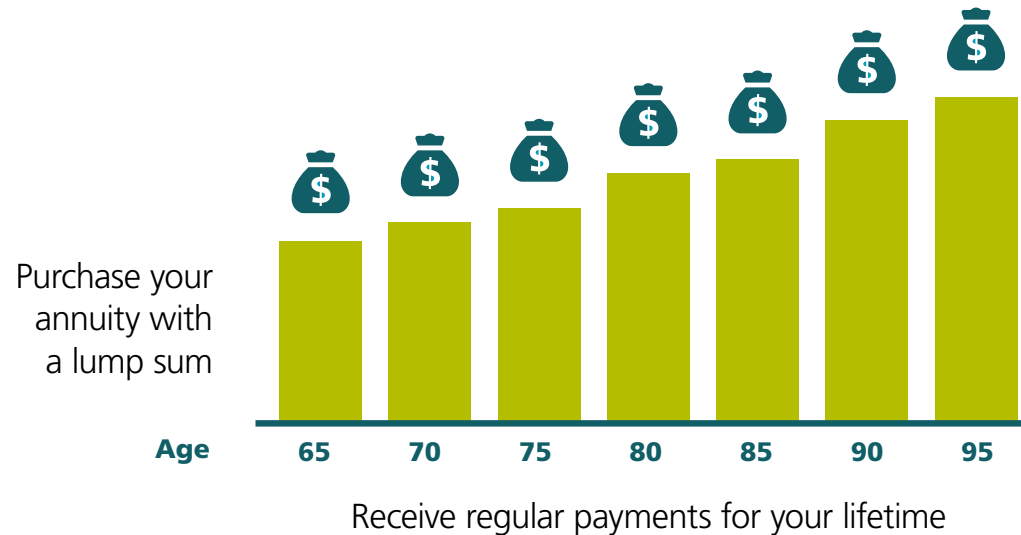
A lifetime annuity is a financial product that pays you regular income for life in return for a lump-sum investment.

Retirement can be a life-changing event. As you adjust to your new lifestyle, you may need to think differently about your finances. Moving from earning an income to drawing on your retirement savings and investments can be a big shift mentally. And it can bring up financial concerns you've never had to think about before, such as outliving your savings or the risks of high inflation. That's where a lifetime annuity can help.

Guaranteed
regular
payments
for life



- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ About the Immediate payments option
- ▶ How it works
- ▶ What if your circumstances change
- ▶ How we deliver on our promise



Benefits of lifetime annuities

- ▶ What is a lifetime annuity?
- ▶ **Benefits of lifetime annuities**
- ▶ About the Immediate payments option
- ▶ How it works
- ▶ What if your circumstances change
- ▶ How we deliver on our promise



Guaranteed regular income for life

They provide a guaranteed regular income payable for life and complement other retirement investments and sources of income, such as a pension from your super and the Age Pension.



Protection from key retirement risks

They give you an additional layer of protection in retirement and can act as a safety net giving you income for life, regardless of how long you live.



Helping you to spend confidently in retirement

They give you income for life and can be used to help cover your living costs in retirement.



About the Immediate payments option

- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ **About the Immediate payments option**
- ▶ How it works
- ▶ What if your circumstances change
- ▶ How we deliver on our promise

Liquid Lifetime is a lifetime annuity that pays a regular and dependable monthly income. The Liquid Lifetime (Immediate payments) option gives you an additional layer of protection in retirement and can act as a safety net giving you guaranteed income for life, regardless of how long you live or how share markets perform.

Here's what you will receive:

- monthly payments for the rest of your life (and your spouse's life if you choose);
- payments that keep pace with inflation (indexed to CPI)¹;
- payments that are guaranteed regardless of how share markets perform;
- up to 100% of your investment repaid to your nominated beneficiaries or estate if you die early^{2,3}; and
- a withdrawal value with reducing access to capital over a period based on your life expectancy – just in case your circumstances change and you no longer require lifelong income³.

Monthly payments
for the rest of your life



Up to 100% of your investment
paid to your beneficiary if you die early



- 1 You can ask us to only partially index your payments annually with movements in the CPI (called 'partial CPI'), to have your payments linked to changes in the Reserve Bank of Australia (RBA) cash rate (called 'RBA cash linked') or to have fixed payments (called 'no indexation') in return for starting payments that are generally higher than the CPI option.
- 2 Please refer to '[How it works](#)'.
- 3 You can ask to remove this feature in return for higher starting payments, called the Enhanced income option.



About the Immediate payments option

- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ **About the Immediate payments option**
- ▶ How it works
- ▶ What if your circumstances change
- ▶ How we deliver on our promise

Potential to get a boost to your Age Pension

Access an immediate Age Pension boost if you are an asset tested part pensioner, because only 60% of the amount invested into a Challenger lifetime annuity counts towards the relevant Centrelink/DVA asset test.

For more information, speak to your financial adviser or visit challenger.com.au/agepension.



How it works

- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ About the Immediate payments option
- ▶ **How it works**
- ▶ What if your circumstances change
- ▶ How we deliver on our promise

Invest a part of your super or savings into the annuity. You can invest with as little as \$10,000.

Choose whether payments continue to your spouse when you die.

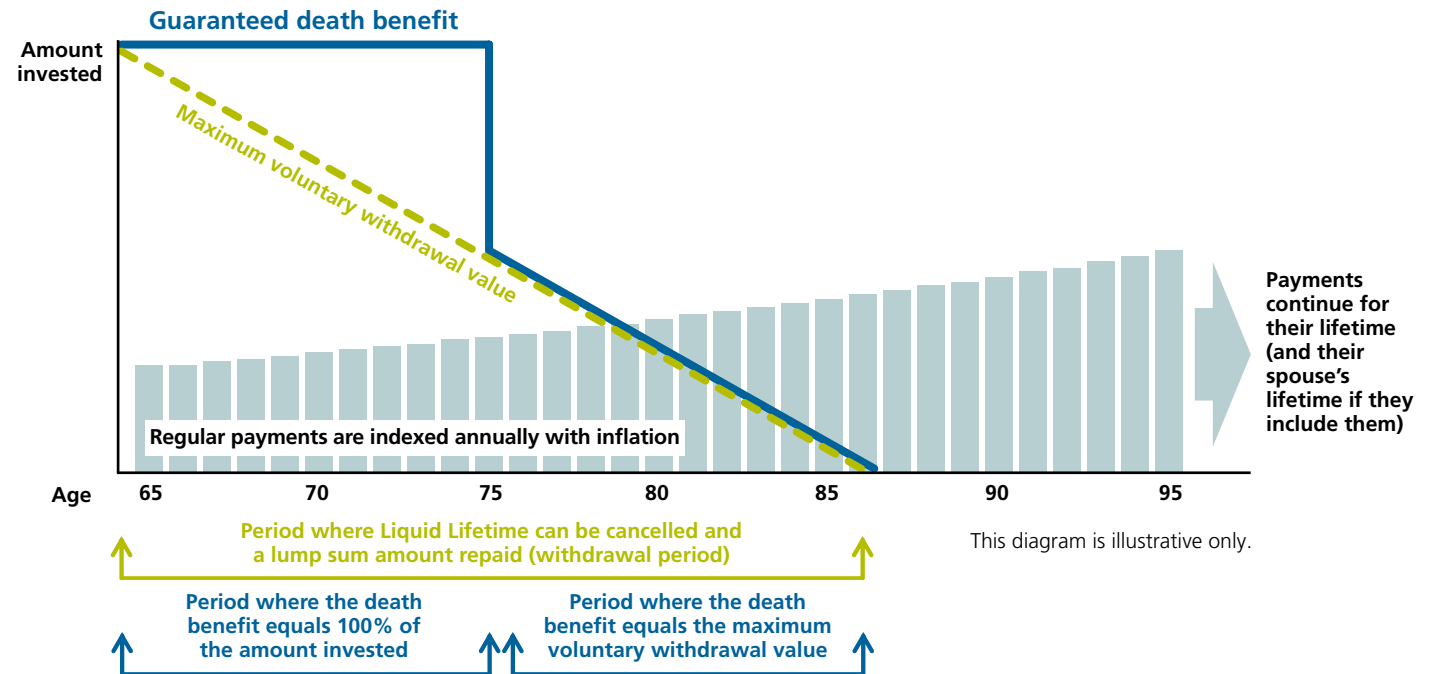
Receive regular monthly payments for life.



What if your circumstances change?

While you should only invest in Liquid Lifetime if you plan to keep it for life, there's the flexibility to cancel the investment at any time during your life expectancy (rounded down to a whole year) so you have access to a lump sum if you ever need it. The maximum withdrawal value starts at 100% of the amount invested and steadily reduces to nil.⁴

Liquid Lifetime (Immediate payments) illustration, based on a 65-year-old female



⁴ The actual withdrawal value we pay you is impacted by movements in interest rates and an allowance for the cost to us of breaking the investment, and cannot exceed the maximum.

How we deliver on our promise

- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ About the Immediate payments option
- ▶ How it works
- ▶ What if your circumstances change
- ▶ **How we deliver on our promise**

When you invest in a Challenger annuity your capital investment goes into a fund along with the capital received from other annuity customers. This fund is known as the statutory fund, and all regular payments to our annuity customers are paid from this fund. We are also required by the Australian Prudential Regulation Authority (APRA) to invest our own money into the fund. This statutory fund is required to hold enough capital to withstand a significant share market shock event.

Challenger Life is subject to detailed legislative and regulatory requirements designed to ensure that your investment is kept safe. APRA actively monitor our investments with the aim of ensuring that we can meet the promises that we have made to you both now and into the future. If at any time we do not achieve investment returns that are sufficient to cover all the promises that we have made to our annuity customers, we must cover the shortfall from the money we have invested in the fund.



About Challenger

- ▶ What is a lifetime annuity?
- ▶ Benefits of lifetime annuities
- ▶ About the Immediate payments option
- ▶ How it works
- ▶ What if your circumstances change
- ▶ How we deliver on our promise

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 regular income payments to thousands of Australians and manage over \$22 billion in assets (as at 30 June 2022).

Find out more

To find out more about Liquid Lifetime including the risks of investing in annuities and how Challenger invests its money, please read the Product Disclosure Statement (PDS).

You'll find it at challenger.com.au or by calling **13 35 66**.

The information contained in this publication is current as at 1 February 2023 unless otherwise specified and is provided by Challenger Life Company Limited ABN 44 072 486 938 AFSL 234670 (Challenger Life, we, us), the issuer of Challenger Guaranteed Annuity (Liquid Lifetime) also known as Challenger Lifetime Annuity (Liquid Lifetime). The information in this publication has been prepared without taking into account 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 the Challenger Guaranteed Annuity (Liquid Lifetime) TMD and PDS and consider the information in the TMD and PDS before making any decision about the product. A copy of the TMD and 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 payments in this publication refer to the payments Challenger Life promises to pay under the policy document.

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