

Key differences between our fixed term annuities and other products



The table below shows some of the key differences between a Challenger Guaranteed Annuity (Fixed Term Direct), Challenger Guaranteed Annuity (Fixed Term), a bank term deposit and a high interest savings account. This is only a summary of some products available and does not cover all features. However, there may be other types of investments that suit your needs that aren't listed in this table.

The information in this table should be regarded as general information only and does not take into account your situation, needs or objectives. A financial adviser can help you decide what type of investment might suit you.

	Challenger Guaranteed Annuity (Fixed Term Direct)	Challenger Guaranteed Annuity (Fixed term)	Bank term deposit	High interest savings account
RISK AND RETURN				
Is the rate fixed for the investment term?	Yes. The rate is set at the start of your term.	Yes. The rate is set at the start of your term.	Yes. Your interest rate will not go up or down during the term of your investment.	No. Your interest rate can go up or down at any time. Introductory interest rates can change after a set period of time.
Is the term fixed?	Yes. This investment is designed to be held for a term you agree at the start of your investment.	Yes. This investment is designed to be held for a term you agree at the start of your investment.	Yes. This investment is designed to be held for a term you agree at the start of your investment.	No.
Is there potential to lock in a higher interest rate for a longer fixed term?	Yes.	Yes.	Yes.	No.
Are payments guaranteed?	Yes. Your payments are guaranteed by Challenger.	Yes. Your payments are guaranteed by Challenger.	Yes. Your interest payments are guaranteed by the bank.	Yes. Your interest payments may change with interest rates movements but are guaranteed by the bank.
Is the repayment of the money invested guaranteed?	Yes. When held for the term, your total investment amount is guaranteed by Challenger and will be repaid at the end of the term.	Yes. When held for the term, your total investment amount is guaranteed by Challenger and will be repaid at the end of the term or throughout the term as part of the regular payments, if that's what you choose.	Yes. The Australian Government guarantees deposits up to \$250,000 held by banks.	Yes. The Australian Government guarantees deposits up to \$250,000 held by banks.
Will my payments change if the share market goes down?	No. Your payments are fixed for the term and are guaranteed by Challenger, regardless of how share markets perform.	No. Your payments are fixed for the term and are guaranteed by Challenger, regardless of how share markets perform.	No. Your interest payments are fixed for the term and are guaranteed by the bank, regardless of how share markets perform.	No. However, interest payments can be affected by changes in the Reserve Bank's interest rate.
ACCESS TO MONEY				
Can I choose how often to receive my payments?	Yes. You can receive your payments monthly, quarterly, half-yearly or for terms more than one year, yearly.	Yes. You can receive your payments monthly, quarterly, half-yearly or for terms more than one year, yearly.	Generally, yes. You can receive your payments monthly, quarterly, half-yearly or yearly.	No. Interest is generally credited to your account monthly.
Is there a penalty for withdrawing all or part of my money before the end of the term?	Yes. The investment is designed to be held to maturity, so there will be a penalty if you withdraw early and the withdrawal value may be less than what you invested.	Yes. The investment is designed to be held to maturity, so there will be a penalty if you withdraw early and the withdrawal value may be less than what you invested.	Generally, yes. You'll need to check this with the bank.	No. Some accounts may withhold bonus interest if you withdraw within a certain timeframe. Check with the product provider as to the specific restrictions.

	Challenger Guaranteed Annuity (Fixed Term Direct)	Challenger Guaranteed Annuity (Fixed term)	Bank term deposit	High interest savings account
Will I get my investment amount back at the end of the term?	Yes. Your investment amount will be repaid to you at the end of the term.	Yes. Your investment amount will be repaid to you at the end of the term unless you choose to have it repaid throughout the term as part of your regular payments.	Yes. Your investment amount will be repaid to you at the end of the term.	Yes. There is no 'term' usually, as it is a savings account.
MY INVESTMENT				
What are the range of investment terms available?	1 year to 5 years.	1 year to 50 years. Restrictions may apply if investing with super money	Terms generally start at 1 month, but will depend on the bank.	Not applicable.
Can I add to my investment during the term?	No.	No.	No.	Yes.
Can I re-invest at maturity?	Yes. You will need to reapply however.	Yes. If you choose to have all or some of your investment repaid at the end of the term, you can reinvest at maturity.	Yes.	Not applicable.
Is there a minimum investment amount?	Yes. The minimum investment is \$10,000.	Yes. The minimum investment is \$10,000.	Yes. The minimum investment varies from bank to bank.	No, not usually.
What happens to my money if I pass away?	You can nominate one or more beneficiaries to receive the remaining benefits of your investment. If you invest jointly, the benefits will pass on to the surviving owner.	You can nominate one or more beneficiaries to receive the remaining benefits of your investment. If you invest jointly, the benefits will pass on to the surviving owner.	Your money will generally be paid to your estate if you die during the investment term. If you invest jointly, the account will pass on to the surviving owner.	Your money will generally be paid to your estate if you die whilst holding the investment. If you invest jointly, the account will pass on to the surviving owner.
Are there any fees?	No. There are no fees or charges payable to us.	No. There are no fees or charges payable to us.	Generally, no. But it's best to check with the bank.	Generally, no. But it's best to check with the provider.

We're here to support you

For more information about annuities, read the relevant Product Disclosure Statement and Target Market Determination, ask us any questions you may have, or talk to your financial adviser about whether they are right for you.



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Talk to your financial adviser



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

The Challenger team can provide general advice only.

We are not licensed to provide personal advice which takes into account your individual circumstances.

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