

Products at a glance



The table below shows some of the key differences between a Challenger Term Annuity, a bank term deposit and other products/investments. This is only a summary of some products available. 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)	Bank term deposit	High interest savings account	Managed fund
RISK AND RETURN				
Is the rate fixed for the investment term?	Yes. The rate is set at the start of your term. Payments will not change unless you choose to have them increased annually in line with increases in the CPI.	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.	Not applicable. Generally, a managed fund invests in assets such as shares, property, mortgage backed securities, bonds or other investments. The returns are based on the performance of the underlying assets.
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.	No	No
Is there potential to lock in a higher interest rate for a longer fixed term?	Yes	Yes	No	Not applicable
Are payments guaranteed?	Yes. Your payments are guaranteed by Challenger.	Yes. Your payments are guaranteed by the bank. Australian Government guarantees deposits up to \$250,000 held by banks.	No. Savings accounts aren't designed to make set payments over a term.	No. Returns from a managed fund are not always guaranteed. Returns will depend on the performance of the underlying assets.
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 or throughout the term as regular payments, if that's what you choose.	Yes. Your payments are guaranteed by the bank. Australian Government guarantees deposits up to \$250,000 held by banks.	Yes. Your payments are guaranteed by the bank. Australian Government guarantees deposits up to \$250,000 held by banks.	No. If the underlying assets perform poorly you can lose some or all of your original investment.
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 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.	Not applicable
INCOME PAYMENTS				
Can I choose how often to receive my payments?	Yes. You can receive your payments monthly, quarterly, half-yearly or yearly. One year terms have a minimum payment frequency of half-yearly.	Generally, yes. You can receive your payments monthly, quarterly, half-yearly or yearly.	No. Interest payments are generally made monthly.	No. Distributions are generally paid quarterly.
Can I increase the amount of my regular payments?	Yes. At the start of your investment, you can choose how the amount invested is repaid to you. You can have it repaid at the end of the term or have it fully or partly repaid to you as part of your regular payments. Once your Annuity starts you cannot change your choice.	No. Your payments will be based on the interest rate. You cannot increase the amount of your payments.	No	Generally, no. Some managed funds may allow you to set up regular withdrawals.

	Challenger Guaranteed Annuity (Fixed term)	Bank term deposit	High interest savings account	Managed fund
ACCESS TO MONEY				
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 may be a penalty if you withdraw early.	Yes. Usually, yes. You'll need to check this with the product provider.	No. Some accounts may withhold bonus interest if you withdraw within a certain timeframe.	Generally, no. There may be restrictions and consequences on redeeming your investment.
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 or throughout the term as regular payments, if that's what you choose.	Yes	Yes	The amount of money you get back at the end of your investment term will depend on the performance of the underlying assets.
MY INVESTMENT				
Is there a minimum investment term?	Yes. 1 year.	Yes. Generally 1 month.	No	Generally, no
Can I add to my investment during the term?	No	No	Yes	Generally, yes
Can I re-invest at maturity?	Yes	Yes	Not applicable	Not applicable
Is there a minimum investment amount?	Yes. The minimum investment is \$10,000.	Yes. The minimum investment varies from bank to bank.	No	Yes. The minimum investment varies from fund to fund.
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 invested 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.	Your money will generally be paid to your estate if you die during the investment term.	Your money will generally be paid to your estate if you die during the investment term.
Are there any fees?	No	Generally, no. But it's best to check with the provider.	Generally, no. But it's best to check with the provider.	Yes

For more information:



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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.

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