

| Investment name | Min. Initial Investment | Type Capital Protection | Investment Term | Income | Level of protection /guarantee | Level of participation in underlying investment fund | Able to borrow to invest | Closing date | Fund choice | Wealth Focus Rebate Offer | Lonsec Rating | Notes |
|---|-------------------------|---------------------------------------|--------------------|---|--|--|---|--|---|---------------------------|--|---|
| Citigroup - Alpha Results Series 4 (Income Option) | \$20,000 | Put options | 1 year | Monthly 10.25%, 12.2% or 13.5%pa irrespective of performance | 100% provided lowest share does not fall > 40% | N/A. However, if lowest performing share falls > 40%, return is value of this share to max 100%. | No | 9th April (available on request after this date) | Choice from 3 baskets of blue chip/large cap. shares | No initial fee | Recommended | This strategy could be considered suitable for sideways markets as capital growth is given up in lieu of receiving a fixed monthly return. Some limited protection provided - if shares fall by <40%, 100% capital return. |
| Citigroup - Alpha Results Series 4 (Growth Option) | \$20,000 | Put options | 1 year | 12.1%, 17.25% or 18%pa + possible bonus at maturity | 100% provided lowest share does not fall > 40% | Return is linked to lowest performing share | No | 9th April (available on request after this date) | Choice from 3 baskets of blue chip/large cap. shares | No initial fee | Recommended | Strategy suited for sideways markets. Min. return provided as long as 40% barrier not breached. Final return is always = lowest performing stock with min. of up to 18% provided 40% barrier not breached. Offers some limited protection - if no shares fall by <40%, 100% capital return plus (up to) 18% |
| Axa North (Investment Guarantee) | \$20,000 | Dynamic Hedging | 5 or 7 years | Distributions reinvested until end of term | 100% | 100% | No | Ongoing | 49 | No initial fee | Recommended | Charge for protection is explicit and can initially look more expensive than other products. Added benefit of ability to turn off when not needed. Ability to switch funds |
| Axa North (Growth Guarantee) | \$20,000 | Dynamic Hedging | 10, 15 or 20 years | Distributions reinvested until end of term | 100% (plus enhanced early encashment) | 100% | No | Ongoing | 49 | No initial fee | Recommended | Charge for protection is explicit and can initially look more expensive than other products. Added benefit of ability to turn off when not needed. Early encashment benefits from an "accrual" of protection level. |
| NAB - Re-Strike | 50,000 | Bond + Call | 6-7 years | To be decided | 125% | To be decided | 125% | 1/06/2010 | Expected to be S&P/ASX 200 Index or an RBS Absolute Return Fund | No initial fee | | This is an ideal opportunity for investors looking to fund break costs and unlock cash-locked CPPI structures such as Perpetual PPI Series and Macquarie Fusion Funds. |
| INstreet - Reliance Funds | \$5,000 | CPPI | open ended | Gains over the \$1 starting unit price distributed each quarter | 75c of each \$1 unit | (CPPI) Starts at 100%, drops if fund falls in value. BlackRock fund can increase allocation to 125% if fund rises. | No | Ongoing | 2 funds available - Blackrock Global Allocation Fund and Schroders Commodity Fund | No initial fee | Highly Recommended (Blackrock) & Recommended (Schroders) | Each 5% gain/quarter results in a 3.75% increase in the protected level. Gains are distributed at the end of each quarter. The Schroders fund is likely to have a low level of participation, we feel this should be avoided. We consider that the CPPI nature of this product disadvantages it relative to other capital protected products |
| JB Global - Income and Equity Accelerator Units Series 3 | \$50,000 | Bond + Call (with volatility overlay) | 3 years | Up to 8.1% annual coupon | 100% | Volatility overlay increases and reduces participation between 0-150% as volatility rises and falls | 100% in-built loan (also available for SMSFs) | 16th April 2010 | S&P/ASX 200 Index | - | Investment Grade | 100% loan is in-built to this product. 3 years of interest is prepayable for the full term of an investment 14.85% (4.95% pa). Can walk away at any time if investment falls in value without any liability. RBS is the issuer of product. Performance fee seems high |
| JB Global - Income and Equity Accelerator Units Series 4 | \$50,000 | Bond + Call (with volatility overlay) | 3 years | Up to 8.1% annual coupon | 100% | Volatility overlay increases and reduces participation between 0-200% as volatility rises and falls | 100% in-built loan (also available for SMSFs) | 16th April 2010 | Berkshire Hathaway Class B shares | - | 3.75 stars (Adviser Edge rating) | Provides exposure to Warren Buffett's investment company, Berkshire Hathaway . 3 years of interest is prepayable for the full term of an investment 14.85% (4.95% pa)+1.65% currency hedging cost. Can walk away at any time if investment falls in value without any liability. RBS is the issuer of product. Performance fee seems high |
| Navralinvest - Navra Asia Pacific Growth Fund | \$25,000 | Bond + Call | 10 years | Up to 10% annual coupon, First 8% used to pay loan interest | 150% | Sliding scale of 50% - 200% over investment term | 100% (available for SMSFs) | 16th April 2010 | A managed portfolio of 30 companies in the Asia Pacific region | 1% rebate | | High volatility should benefit this product. Owns 30 stocks from 150 largest Asian stocks. Buys largest fallers and sells largest risers. 100% Limited Recourse Loan means that investors can walk away at any time if investment falls in value without any liability |
| Perpetual Protected Investments - Series 4 | \$50,000 | CPPI | 7 years | Distributions from funds | 100% + profit lock in | (CPPI) Starts at 100%, drops if fund falls in value | 100% | 18th June 2010 | 15 | 1% rebate | | CPPI provides relatively low cost protection of managed funds that are typically unable to be protected via a Bond + Call structure. In light of the recent cash locking we are surprised to see a number of the funds offered within this structure. We favour the Platinum funds within PPI 4. |