

## Capital protection comparison table

Last updated: 11th April 2011

## 2011 Capital Protected Products

Investment name	Min. Initial Investment	Type of 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
<b>Axa North (Investment Guarantee)</b>	\$20,000	Dynamic Hedging	6 or 8 years	Distributions reinvested	100% rising guarantee	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
<b>Axa North (Growth Guarantee)</b>	\$20,000	Dynamic Hedging	10 or 20 years	Distributions reinvested	100% rising guarantee	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.
<b>Axa North (Retirement Guarantee)</b>	\$20,000	Dynamic Hedging	Lifetime	5% pa guaranteed for life	100% rising guarantee	100%	No	Ongoing	49	No initial fee	Recommended	<b>The guarantee of 5% pa of the highest annual anniversary fund value makes this an attractive alternative to lifetime annuities.</b>
<b>Macquarie - Flexi 100 (Class AI-AL)</b>	\$25,000	Bond + Call	5.5 years	4%pa	100%	100% (hurdle of 22%, ASX 200, US & BRIC options capped at 100% growth)	Compulsory (available to SMSFs)	30/06/2011	S&P ASX 200, Asian Equity Indices, S&P 500 (US) or BRIC Indices	2% rebate on loan fee	Recommended	Fixed income is an attractive feature. Note that the final growth deducts this (the hurdle). Play off is the cap on returns Annual walk away feature means investors are not tied in
<b>Macquarie - Flexi 100 (Class AM - AN)</b>	\$25,000	Bond + Call	3.5 years	6.5%pa in years 1&2 + 3.25% in year 3	100%	150% - Aus. Equity with a 65% capped growth return 100% - Asian Alpha (hurdle of 16.25%)	Compulsory (available to SMSFs)	30/06/2011	20 largest ASX shares or Macquarie Asian Alpha Fund	2% rebate on loan fee	Recommended	Investors receive 150% of gains (Aus. Equity Focus) or 100% of gains (Asian Alpha Fund), over the 16.25% hurdle, ie the distributions are deducted from the final growth payout Annual walk away feature means investors are not tied in
<b>Macquarie - Flexi 100 (Class AO-AQ)</b>	\$25,000	Bond + Call	3 years	distributed each year as income (capped at approx. 17%)	100%	100%	Compulsory (available to SMSFs)	30/06/2011	S&P ASX 200, S&P 500 (US) or Commodities Portfolio	2% rebate on loan fee	Recommended	Annual walk away feature means that investors can walk away if the investment falls in value and reset at the lower level.
<b>Man Investments Australia - OM-IP Global</b>	\$5,000	Bond + Call	9 years	No	100% and rising as fund value increases	160% (100% participation in AHL and 60% to GLG Global)	100% available through NAB	21/04/2011	100% exposure to AHL Diversified Program & 60% to GLG Global (hedge fund)	3.8% rebate	Highly Recommended	The lower cost of protection has seen a reduction in the term to 9 years from 10 years on recent issues. Primary returns anticipated to come from AHL. One of the few investments that aims to provide returns in both rising and falling markets
<b>UBS Goals Series 12-14</b>	\$10,000	Put options	15 mths	12.4%, 14.4%, or 17%pa irrespective of performance	100% provided lowest share does not fall > 30%	N/A	No	16/05/2011	Choice of 3 baskets of 5 blue chip shares	-	Approved	Strategy considered suitable for sideways markets as capital growth is given up in lieu of receiving a fixed monthly return. Conditional protection provided - provided no share falls by >30% at maturity, 100% capital return.

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## Structured products comparison table

Last updated: 11th April 2011

## 2011 Structured Products

Investment name	Min. Initial Investment	Type of Protection	Investment Term	Income	Level of protection /guarantee	Level of participation in underlying investment	Able to borrow to invest	Closing date	Investment choice	Wealth Focus Rebate Offer	Lonsec Rating	Notes
Citibank/ INstreet Income Instalments	\$2,500	Put Options	Annual Rolling	Dividends including Franking Credits + <b>Enhanced Income</b>	Approx 50%	Gearing provides twice the exposure to underlying shares (capped at 10%pa)	Automatic 50% leverage	4/05/2011	Choice of 14 ASX listed stocks	1% rebate on loan fee	Approved	We feel this is the most exciting product to launch in recent years. Enhanced income means that even if shares fall in value, investor can often be better off. Enhanced income is in lieu of growth over 10%pa
RBS - Self Funded Instalment Warrants	\$2,000	Stop Loss	Annual Rolling	Dividends including Franking Credits	Approx 50%	Gearing provides twice the exposure to underlying shares	Automatic 50% leverage	Ongoing	Choice of 75 ASX listed stocks	No initial fee	Approved	Unlike other SFI's, RBS has no cost for protection as it uses a stop loss to protect loan in the event of a stock falling in value.
Westpac - Self Funded Instalment Warrants	Approx. \$2,000	Put Options	Annual Rolling	Dividends including Franking Credits	Approx 50%	Gearing provides twice the exposure to underlying shares	Automatic 50% leverage	Ongoing	Choice of 33 ASX listed stocks	-	Approved	First major bank to re-introduce classic SFI structure with put option (insurance). Popular as a gearing strategy for SMSFs

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