

## Capital protection comparison table

Last updated: 22nd September 2010

## 2010 Capital Protected Products

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
<b>Citigroup - Alpha POLARIS</b>	\$20,000	Bond + Call	5.5 years	No	100%	100% (uncapped, BRIC 40 capped at 160%, China cap at 170%, Gold at 175%)	No	1/10/2010	Best of PIMCO Bond Fund vs choice of ASX200, BRIC 40, China Index or Gold	<b>0.50%</b>	Recommended	Provides investors with the Best Of Bonds versus Equities and the added benefit of capital protection. PIMCO Bond fund is considered to be one of the world's leading Bond managers.
<b>Axa North (Investment Guarantee)</b>	\$20,000	Dynamic Hedging	6 or 8 years	Distributions reinvested until end of term	100% rising guarantee	100%	No	Ongoing	49	<b>No initial fee</b>	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 until end of term	100% rising guarantee	100%	No	Ongoing	49	<b>No initial fee</b>	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	<b>Dynamic Hedging</b>	<b>Lifetime</b>	<b>5% pa guaranteed for life</b>	<b>100% rising guarantee</b>	<b>100%</b>	<b>No</b>	<b>Ongoing</b>	<b>49</b>	<b>No initial fee</b>	Recommended	<b>The guarantee of 5% pa of the highest annual anniversary fund value makes this an attractive alternative to lifetime annuities.</b>
<b>CBA - Capital Series Aussie Blue Chips</b>	\$10,000	Bond + Call	5.5 years	4%pa (starting in year 1.5)	100%	100% (capped at 60%)	Yes (not available for SMSFs)	1/10/2010	A basket of 20 of the largest ASX-listed shares	<b>2% (1% if no loan)</b>	S&P rating Strong	A return to simplified product offering for CBA. Investors not looking for income may want to consider the Westpac Maximiser offer.
<b>INstreet - Mast ARC</b>	\$25,000	Bond + Call	3 years	Distributes annual gains as income each year	100%	100%	100% must be taken (available for SMSFs)	30/09/2010	Absolute Return Commodities Index (Risk Stabilised Quantum Pegasus EL1 Strategy Index)	<b>No initial fee</b>	Investment Grade	100% loan is in-built to this product. Low cost of borrowing (6.85% pa). Can walk away at any time if investment falls in value without any liability. Annual reset feature is attractive RBS is the issuer of product.
<b>Macquarie - Flexi 100 (Class U - V)</b>	\$25,000	Bond + Call	5.5 years	4%pa	100%	100% - ASX 200 150% -Aus Eq. Basket (hurdle of 22%, capped at 100%)	100%	17/11/2010	S&P ASX 200, Australian Equity Focus Basket	<b>1.5% rebate on loan fee</b>	Recommended	Fixed income is an attractive feature. Note that the final growth deducts this (the hurdle). Play off is the cap on returns Australian Equity Focus Basket participation rate is 150% Annual walk away feature means investors are not tied in
<b>Macquarie - Flexi 100 (Class W - X)</b>	\$25,000	Bond + Call	5.5 years	4%pa	100%	100% (hurdle of 22%)	100%	17/11/2010	MQ Asia Long Short Fund, Asian Equity	<b>1.5% rebate on loan fee</b>	Recommended	Fixed income is an attractive feature, providing investors with certainty of some return. Note that the final growth deducts this (the hurdle). Annual walk away feature means investors are not tied in
<b>Macquarie - Flexi 100 (Class Y)</b>	\$25,000	Bond + Call	3.5 years	6.5%pa in years 1&2 + 3.25% in year 3	100%	150% (hurdle of 16.25%, capped at 65%)	100%	17/11/2010	Australian Equity Focus Basket	<b>1.5% rebate on loan fee</b>	Recommended	Investors receive 100% of gains over the 16.25% hurdle, ie the distributions are deducted from the final growth payout Australian Equity Focus Basket participation rate is 150% Annual walk away feature means investors are not tied in

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Macquarie - Flexi 100 (Class Z)	\$25,000	Bond + Call	3.5 years	6.5%pa in years 1&2 + 3.25% in year 3	100%	100% (hurdle of 16.25%)	100%	17/11/2010	Asian Equity	1.5% rebate on loan fee	Recommended	Investors receive 100% of gains 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
Macquarie - Flexi 100 (Class AA - AB)	\$25,000	Bond + Call	5.5 years	Growth distributed each year as income (Class AA capped at approx. 17%)	100%	100%	100%	17/11/2010	S&P ASX 200, MQ Asia Long Short Fund	1.5% 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.
NAB - Re-Strike (Series 3&4)	\$20,000	Bond + Call (with volatility overlay)	6.5 or 7 years	2.86%pa Series 4 - 3.06%pa (+ 40% of gains over 5%pa)	125%	0-150% (depending on volatility overlay)	125%	30/09/2010	ASX 200 (Series 3) or Aquantum Pegaus Absolute Return Fund (Series 4)	No initial fee	Series 3 - Recommended Series 4 - Investment Grade	Provides an opportunity for investors looking to fund break costs and unlock cash-locked CPPI structures such as Perpetual PPI Series and Macquarie, Reflexions and Fusion Funds. We favour ASX200 investment, clarity of underlying investment
Westpac - Maximiser Series 2	\$10,000	Bond + Call	5 years	No	100%	85%-100% (set on date of issue) with uncapped growth	No	30/09/2010	S&P ASX 200	0.50%		One of the easiest protected products to understand, we expect pricing to come in at 100% participation.
Westpac - Maximiser Series 2	\$10,000	Bond + Call	5 years	No	75%	175%-200% (set on date of issue) capped at 100% growth	No	30/09/2010	S&P ASX 200	0.50%		For those willing to forgoe some of the protection, this product offers greater upside than the 100% protected alternative

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