

# Mast

Instreet Mast S&P/ASX 200

INstreet

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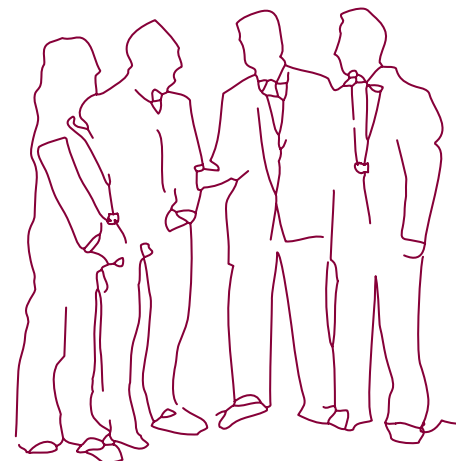
## An investment in the Australian share market that works for you.

*Instreet Mast S&P/ASX 200 provides you with a flexible investment solution that allows you to access the growth potential of the Australian share market.*

*Instreet Mast S&P/ASX 200 provides the potential to benefit from uncapped gains on the Australian share market (as measured by the S&P/ASX 200) over a 5-year period with the potential for annual coupons.*

### An investment in Instreet Mast S&P/ASX 200 may suit you if you are seeking:

- **Geared exposure to the Australian share market:** benefit from the potential growth of the share market with minimal upfront capital required.
- **Limited recourse loan:** fund your investment with a compulsory 100% limited recourse loan which is not subject to any personal credit enquiries.
- **Competitive interest rate:** 8.8% per annum (fixed for the term).
- **Uncapped returns:** so you can benefit fully\* if the market rallies significantly over the investment term.
- **Walk-away feature:** if the share market performance doesn't meet your objectives you have the ability to walk-away from the investment with no penalties and nothing further to pay on the loan at any stage (or annually).
- **Volatility management:** Instreet Mast S&P/ASX200 will help to smooth your returns by automatically reducing your share market exposure when volatility is high, and increasing your market exposure, up to 150% participation rate, when volatility is low (without your investment ever becoming cash-locked).



\*Subject to the participation rate.

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## Benefits and Features

Instreet Mast S&P/ASX200 seeks to provide you with the following potential benefits and features:

An investment that works for you and your SMSF

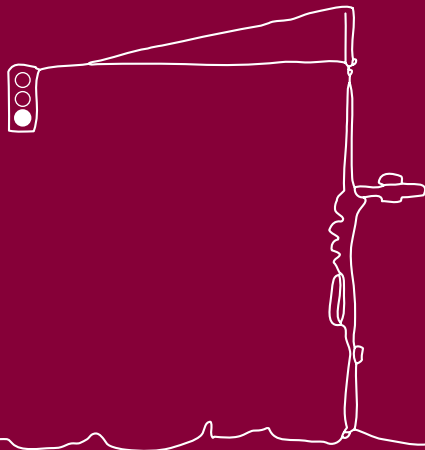
- Exposure to the growth potential of the S&P/ASX 200 Price Return Index
- Share market exposure that varies between 0%-150% depending on market volatility
- Ability to 'walk-away' annually without penalties or any further interest to pay
- Competitive interest rate of 8.8% p.a, which is fixed for the life of the loan
- No credit checks
- Interest is generally tax deductible
- Potential annual coupon of up to 5%
- Uncapped returns at maturity
- 100% capital protection at maturity
- No margin calls
- Limited recourse which means that the lender's recourse is limited to your units in Instreet Mast S&P/ASX200
- No cash locking
- SMSF friendly

## Volatility management and gearing

Recent share market volatility has shown the impact that gearing can have on a share market investment. This is because gearing can magnify losses as well as gains. With this in mind, volatility management may be an appropriate strategy to help you smooth out share market returns.

Instreet Mast S&P/ASX200 offers you the peace of mind of volatility management as it works to ensure that when share market volatility is high, your exposure to the share market is reduced. Conversely when volatility is low, your exposure to the share market is increased. The following graph shows the performance of the S&P/ASX 200 Price Index alongside the performance of the same index utilising volatility management. It also shows the participation rate.



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## How the Investment Works – Case Study

This is an example of how the investment works. The returns shown in this example are fictitious and are used only to demonstrate how the investment works. They are not a forecast, do not indicate past performance and are not a guarantee that similar returns will be achieved in the future. We have chosen a positive scenario but returns are not guaranteed and markets can fall as well as rise.

John is keen to gain a geared exposure to the Australian share market. After speaking to his financial adviser and reading the Product Disclosure Statement (PDS), John decides to invest \$100,000 into Instreet Mast S&P/ASX200.

The following table provides an example of John's investment loan and coupon payments over the life of the investment.

Year	Reference Strategy level	Return on the Reference Strategy	Coupon amount	Interest and fees paid
Year 0	100	N/A	N/A	\$10,800 (10.8% x \$100,000)
Year 1	95	-5%	\$0 (max(-5%,0))	\$8,800 (8.8% x \$100,000)
Year 2	90	-10%	\$0 (max(-10%, 0))	\$8,800 (8.8% x \$100,000)
Year 3	115	+15%	\$5,000 (max(5%,0))	\$8,800 (8.8% x \$100,000)
Year 4	135	+35%	\$5,000 (max(5%,0))	\$8,800 (8.8% x \$100,000)
Year 5	160*	+60%	\$50,000 (60% - 10% coupons already paid)	\$8,800 (8.8% x \$100,000)
<b>Total</b>			<b>\$60,000</b>	<b>\$46,000</b>

\* The volatility management strategy is averaged over the last year of the investment. In this example the levels at each averaging date are 140, 160, 155, 165 and 180. The average of these is 160.

By investing in Instreet Mast S&P/ASX 200 John has generated a profit of \$14,000 over the investment term with minimal capital outlay.

During the term of the investment John had peace of mind, as he knew that if the S&P/ASX 200 did not meet his objectives he could walk-away from the investment annually without having to pay anything further on his loan and without incurring any early break penalties.

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## How to apply

Before investing in Instreet Mast S&P/ASX200, it is important that investors read and understand the terms and investment risks set out in the PDS. Please contact Instreet to obtain a copy of the PDS on **1300 954 678** or download from Instreet's website [www.instreet.com.au](http://www.instreet.com.au).

If, after you have read the PDS, you decide to apply for Units, please complete and return the Application Form attached to the PDS. Payments can be made by cheque or you can elect to direct debit your account.

**Send your completed application form to:****Instreet Investment Limited**

PO BOX R380

Royal Exchange, NSW 1225

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## INquire

**Contact Instreet**

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### Important information

**Document:** This Document has been prepared by Instreet Investment Limited ACN 128 813 016 (Instreet), an Authorised Representative of EA Financial, LP ABN 16 971 745 471, AFSL 246801, and is current as at 4 October 2010. Instreet is the Arranger for the Instreet Mast S&P/ASX 200 Series I Units (Instreet Mast).

**Issuer and PDS:** The Instreet Mast product is issued by Instreet Structured Investment Pty Ltd ACN 140 407 558 and the issue is arranged by Instreet Investment Limited. Instreet Mast is offered in a product disclosure statement dated on or around the 4 October 2010 (PDS). The PDS will be available from Level 34, 50 Bridge Street, Sydney, at the website [www.instreet.com.au](http://www.instreet.com.au) or by phoning 1300 954 678. In deciding whether to acquire or continue to hold an investment investors must obtain the PDS and carefully consider its contents.

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The information may be based on assumptions or market conditions and may change without notice. This may impact the accuracy of the information. In no circumstances is the information in this Document to be used by, or presented to, a person for the purposes of making a decision about a financial product or class of products.

This case study is a hypothetical example only and is not a forecast. Due care and attention has been used in the preparation of the hypothetical example. However, actual results may and will vary and any variation may be materially positive or negative.

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