

Mariner launches "TOTAL SOLUTION" retirement package

15 September 2004

New Mariner TAP and Listed Lifestyle Bonds designed to create total financial package for retirees

Listed financial services group Mariner Financial Limited [ASX: MFI] and Mariner Retirement Solutions Limited [ASX: MRT] will today unveil a completely new financial solution for Australia's growing retirement population, following the Government's introduction of Market Linked Pensions (Term Allocated Pensions) on 20 September 2004.

Called Mariner "TOTAL SOLUTION", the package incorporates a unique suite of products and supporting investment tools designed to give investors vastly improved choice and flexibility in their retirement planning.

The package will be unveiled today at a launch at The Art Gallery of NSW, expected to be attended by the industry's leading research houses, investment commentators, planners and dealer groups.

There are two key offerings in Mariner's "TOTAL SOLUTION":

- Mariner Listed Lifestyle Bonds – a listed fixed rate and market-linked series of Bonds designed to provide regular long-term cash flows. These Bonds differ from many other fixed term investments as they pay back the entire principal as well as interest during the term of the relevant Bond. The Listed Lifestyle Bonds will be available on existing platforms, portfolio administration systems and wraps.
- Mariner's "TOTAL SOLUTION" Term Allocated Pension (MTAP) – a simple platform offering a menu of four products, offered through three flexible investment options. Investors can choose between Enhanced Cash, Mariner Lifestyle Bonds (Fixed Rate), Mariner Lifestyle Bonds (Market Linked) and an Australian Share fund.

Managing Director of Mariner Financial, Mr Bill Ireland, said Australians faced a "revolution" in the retirement income industry, heralded by the Government's new legislation that allows people to invest in assets with higher growth potential, but without foregoing CentreLink and other social security benefits.

"Depending on an individual client's financial position, if they structure their assets correctly using a Term Allocated Pension, a retired couple may become entitled to

around \$500,000 over the next 20 years, and a single retiree over \$300,000 by way of a government age pension," Mr Ireland said.

"The underlying purpose of these legislative changes is to encourage innovation in product design so that investors get better returns in retirement."

He added there were six key reasons for people to reassess the traditional approach to retirement income planning:

1. After 20 September 2004 TAPS will have the same asset test exempt status to traditional life company annuities.
2. Mariner's Lifestyle Bonds (Fixed Rate) offer yields of up to 7.5 per cent compared to annuity yields of around 4.5 per cent.
3. Mariner's Lifestyle Bonds (Market Linked) have full stockmarket upside with no risk of loss of invested capital from a fall in the stockmarket.
4. By investing in a listed product – such as the Mariner Listed Lifestyle Bonds – investors can offer to sell their bonds on the ASX.
5. Estate planning can be significantly enhanced.
6. The issuer of the Mariner Lifestyle Bonds has significant reserves and must comply with financial covenants that are monitored by an independent trustee.

"As a result, there is absolutely no justifiable reason why anyone should buy a traditional life company annuity after 20 September 2004," Mr Ireland said. "All Australians in, or approaching, retirement will need to reassess their income planning, and will require assistance to make sense of the new options available to them. The changes are exciting as they could allow meaningful increases in many people's retirement income."

The "TOTAL SOLUTION" package will be distributed via Mariner's network of financial planners and advisers, supported by Mariner's own national business development team. Mariner will be holding a series of Retirement Seminars across Australia for planners and investors over the coming months.

In addition to Mariner's leading technical support services, planners will also benefit from a range of retirement planning tools such as an online TAP calculator to help calculate the expected pension payments from an initial lump sum, an investment optimiser to help determine the optimum allocation to TAPs to maximise CenterLink Benefits, and a technical fact finder – all of which are included in the "TOTAL SOLUTION" package.

Mr Ireland said Mariner's TAP had three overriding benefits: ease of use, low maintenance, and a regular income stream with known payments.

He also said Mariner's Listed Lifestyle Bonds were a unique offering in the retirement market as they provided a broad range of benefits to retirees: certainty of income for up to 20 years; market linked opportunities; no market downside risk; easy cash flow management; simple "set-and-forget" investment strategies; and broad availability via platforms and wraps.

"Mariner is a retirement solutions specialist and all our focus goes into designing products that actually work with people's differing lifestyles and income needs," Mr Ireland said. "All Mariner products need to be practical, cost effective, and a step ahead what's already out in the market – in terms of ease of use as well as returns to the investors," he said.

Established in 2003, Mariner Financial and its substantially owned Mariner Retirement Solutions are both listed on the Australian Stock Exchange (ASX: MFI, MRT respectively). Mariner's primary focus is servicing Australia's growing financial services and retirement incomes market, through the provision of uniquely structured investment and retirement income solutions.

Mariner Listed Lifestyle Bonds

A prospectus for the Mariner Listed Lifestyle Bonds was lodged with ASIC on 31 August 2004 and can be found on the Mariner website at <www.marinerfunds.com.au>. The Bonds will be listed on the ASX and begin trading on 8 October 2004. The prospectus will be open for 12 months, allowing Mariner to continue issuing bonds on a monthly basis.

Mr Ireland said the listed structure of the Lifestyle Bonds gave Mariner easier access to platforms, SMSF, and portfolio administration systems, allowing investors and planners to more easily include the Bonds in their overall investment portfolio.

"Listing also provides the potential benefits of liquidity, and access to the institutional market," Mr Ireland said.

The Bonds will be issued by Mariner Credit Corporation, a wholly-owned subsidiary of Mariner Retirement Solutions, an ASX listed company that is part of the Mariner Financial group. The Broker to the Issue is Merrill Lynch Equities (Australia) Limited.

The Bonds will invest primarily in the Mariner group's internal property trusts or in other cash flow assets that will provide returns matching the Bond obligations. These property trusts generate income and cash flow from buildings tenanted by very high quality tenants. The rates of returns for the properties are in line with that required to meet the payment obligations to the investor in the Bond.

Mr Ireland said he expected the Listed Lifestyle Bonds to become a cornerstone product for the Mariner Group.

"Given their simplicity, flexibility and competitive return, we expect the Lifestyle Bonds to capture the imagination of planners as well as investors," Mr Ireland said.

Note to the editors

Established in 2003, Mariner Financial Limited is an Australian-owned financial services company listed on the Australian Stock Exchange [ASX: MFI]. Mariner's primary focus is servicing Australia's growing superannuation market by providing uniquely structured investment and retirement income solutions. It also provides strong branding and marketing, education and technical support, and a dedicated distribution capability to its subsidiary company, Mariner Retirement Solutions [ASX: MRT].

For further information, please visit the Mariner website at <www.marinerfunds.com.au>.

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