



Mariner offers new Ten Year Self-Funding Instalments

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Mariner Financial Limited [ASX: MFI], the innovative financial services group, today announced it is offering an exciting range of Ten Year Self-Funding Instalments over the shares of four of Australia's big banks. The Ten Year Self-Funding Instalments will be issued by Westpac and exclusively distributed by Mariner to the retail investor market, targeting investors seeking to enhance the value of their portfolios and achieving long-term growth.

Bill Ireland, founder and Managing Director of the Mariner group, said the new instalments – over St. George Bank, NAB, Commonwealth Bank and ANZ shares – suited investors seeking access to long-term leveraged exposure to the banking sector.

Mr Ireland said, "These instalments mirror the success of endowment warrants issued on bank shares, which have offered great returns to investors over the past ten years. Most of the warrants have generated ten-fold returns to the investors."

He added "Australia's leading banks had performed exceptionally well over the past five years and were well positioned to provide shareholders with outstanding capital growth coupled with tax-effective income streams."

"Historically, Australia's banks have rewarded investors with capital growth and solid dividend yields, both of which are captured in the instalments structure," Mr Ireland said.

Ten Year Self-Funding Instalments may be suitable for superannuation funds and individual investors, especially investors in the Do-It-Yourself (DIY) super funds sector. The real value of instalments is for investors looking to enhance the value of their portfolios, enhancing income, achieving long-term growth and managing tax. An instalment, because it is officially classed as a security or a derivative, is one of the only forms of borrowing that can be used by DIY super funds.

When an investor purchases an instalment, they make an initial payment - usually half of the current price - and then a second instalment when the structure matures. The investor also has the option not to pay the final instalment. Although the investors only officially own a percentage of the share, they still get access to all the dividends and franking credits available to the underlying shares.

The new Ten Year Self-Funding Instalments offer the following benefits to investors:

- Capital growth: Provide investors with the benefits associated with being a holder of shares in leading Australian banks.
- Leveraging to invest in the sharemarket: gaining a greater exposure to the share market for a smaller initial outlay. By providing investors with leveraged exposure, investors will have the potential to enjoy greater capital gains and/or income relative to the initial amount invested.
- A 'set-and-forget' structured investment with no payments required during the investment term that suits the timeframe of many DIY funds. The total amount of cash dividends received is used to reduce the loan, with the annual interest amount automatically drawn down, and added to the Loan.
- Forget the paperwork: no separate loan applications, no credit checks, no monthly loan repayments, no need to purchase shares or units separately.

Why invest in Ten Year Self Funding Instalment?

Instalments give investors the ability to buy listed Securities by making several payments during the life of the structure. In the case of the Ten Year Self-Funding Instalments, investors make one upfront payment, which is a percentage of the current market price of the underlying securities. The balance of the purchase price is advanced to the investor by Westpac on a limited recourse basis. The Security Trustee will hold the underlying Securities on the investor's behalf.

If the investors wish to acquire the underlying securities, a second and final payment is made in the tenth year, at the end of the investment term. They can also acquire the securities before the end of the investment term or offer them for sale anytime.

The Instalments are the latest offering from Mariner's growing innovative investments division.

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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