

# Exchange Traded Bond units: **Lend Lease**



**FACT SHEET**

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**XTBs are Australia's first Exchange Traded Bond units. They combine the income and capital stability of corporate bonds with the transparency and liquidity of the ASX market. XTBs trade on ASX just like shares, in \$100 units.**

## **XTB Overview**

- Each XTB provides exposure to a specific underlying bond
- Available over a number of ASX200 companies, e.g. Telstra, BHP and Qantas
- ASX quoted, price transparency (6 letter ASX code starting YTM, e.g. YTMLL1)
- 100% of coupons and final principal (\$100) is passed to XTB Holders.

## **Key benefits**

- Access to corporate bond market returns for a broader range of investors
- Transparency of ASX listing and two way prices (subject to liquidity)
- Regular income via coupons:
  - Investors can match income to cash flow requirements
- Diversification:
  - Provide capital stability and security in an investment portfolio
  - Make a tactical asset allocation to the Australian corporate bond market
- Opportunity for a higher rate of return than TDs or other cash based products.  
*(Term deposits may enjoy the benefit of protection under the Financial Claims Scheme).*

## **Key considerations**

- Credit worthiness of the underlying corporate bond
- Liquidity risk
- Concentration risk
- Market risk
- Trust risk.



## Lend Lease XTB (ASX CODE – YTMLL1)

<b>Maturity Date</b>	<b>13-MAY-2020</b>	<b>Coupon P.A.</b>	<b>6.000%</b>
<b>Capital Structure</b>	<b>Senior Unsecured</b>	<b>Issue Date</b>	<b>13-MAY-2013</b>
<b>Coupon Type</b>	<b>Fixed</b>	<b>Payment frequency</b>	<b>Semi Annual</b>

### Lend Lease 2020 Bond Details

- Lend Lease Corporation Limited, Lend Lease Responsible Entity Limited as responsible entity of the Lend Lease Trust, Lend Lease Europe Finance plc, Lend Lease (US) Capital Inc are guarantors of the bond.
- Nature of the bonds - The bonds are direct, unsecured and unsubordinated obligations of the Issuer
- Early redemption by Issuer for tax reasons. Early redemption by bondholder can be requested in certain circumstances, where there is a Change of Control and a credit rating downgrade of the Bonds below a certain rating, then holders of the Bonds can “Put” the Bonds back to the Issuer prior to the Maturity Date.
- Events of Default include: Failure to Pay: Applicable with a cure of 3 Business Days; Breach of Financial Covenants: The Issuer or any Guarantor breaches any financial covenant; Negative Pledge: Breach of negative pledge by the Issuer or any Guarantor; Breach of Other Obligations: Applicable; Cross Default: Applicable, with a Threshold Amount of A\$50,000,000; Enforcement or Attachment: Applicable, with a Threshold Amount of A\$50,000,000; Suspension of Payment: The Issuer or any Guarantor or a Material Subsidiary suspends payment of its debts generally; Insolvency: Applicable in respect of the Issuer, any Guarantor or a Material Subsidiary; Scheme of Arrangement/Compromise: Applicable in respect of the Issuer, any Subsidiary or a Material Subsidiary except for the purposes of a solvent reconstruction or amalgamation; Change of ownership: The Issuer or any Guarantor (other than a Parent) is not directly or indirectly a wholly owned Subsidiary of a Parent; Trust: Any resolution is passed to dissolve, re-settle or terminate the Lend Lease Trust, or the dissolution, re-settlement or termination of the Lend Lease Trust commences; Responsible Entity: an order is made in any court for the removal of Lend Lease RE as responsible entity of the Lend Lease Trust or the appointment of a temporary responsible entity to the Lend Lease Trust, unless the replacement or temporary responsible entity is a Subsidiary of a Parent.
- See more at: <https://xtbs.com.au/xtbs-profile/ytml1/>



## More information

- Visit [www.xtbs.com.au](http://www.xtbs.com.au) to find out more about XTBs and the company behind them, Australian Corporate Bond Company
- View the table of **Available XTBs** to see the latest Yield to Maturity
- Use the **Yield Calculator** and **Cash Flow Tool** to determine the precise Yield to Maturity and cash flows for this XTb
- Talk to your adviser about the suitability of including XTBs within your portfolio.

## Understanding the XTb life cycle

At purchase on ASX	Whilst you hold XTBs	At Maturity and Settlement
<p>You should receive the following documents:</p> <ul style="list-style-type: none"> <li>➤ 'Buy Contract Note'</li> <li>➤ ASX CHESS Statement</li> <li>➤ Registry Statement</li> <li>➤ Registry Welcome Letter</li> </ul> <p><i>(NB: No additional account opening forms required)</i></p>	<p>Coupon payments occur on pre-determined dates providing predictability of income</p> <p>You will receive all coupons (subject to no default) as Distribution payments made to the nominated bank account provided to the Registry.</p> <p>XTb prices on ASX are expected to track the corporate bond price, after fees and expenses</p> <p>You may sell some of all of your XTb units on ASX at any time, subject to liquidity</p> <p>Documents:</p> <ul style="list-style-type: none"> <li>➤ 'Sell Contract Note' (if any)</li> <li>➤ Distribution Statements</li> <li>➤ Tax Statements</li> </ul>	<p>You will receive the Face Value of \$100 per unit (subject to no default)</p> <p>You will receive the final coupon payment via a Distribution payment</p> <p>Documents:</p> <ul style="list-style-type: none"> <li>➤ Final Distribution and</li> <li>➤ Final Statement</li> </ul>

### Contact Us

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### DISCLAIMER

View further information on the [benefits](#) and [risks](#) associated with XTBs.

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